

Danville-Pittsylvania Regional Industrial Facility Authority

**City of Danville, Virginia
County of Pittsylvania, Virginia**

AGENDA

November 08, 2021

12:00 P.M.

**Institute for Advanced Learning and Research
150 Slayton Avenue, Room 206
Danville, Virginia**

County of Pittsylvania Members

**Ronald S. Scarce, Vice Chairman
Robert W. Warren
Vic Ingram, Alternate**

City of Danville Members

**Sherman M. Saunders, Chairman
J. Lee Vogler, Jr.
Dr. Gary P. Miller, Alternate**

Staff

**Kenneth F. Larking, City Manager, Danville
David M. Smitherman, Pittsylvania County Administrator
Christian & Barton, LLP, Legal Counsel to Authority
Susan M. DeMasi, Authority Secretary
Michael L. Adkins, Authority Treasurer**

Danville-Pittsylvania Regional Industrial Facility Authority

1. MEETING CALLED TO ORDER

2. ROLL CALL

3. PUBLIC COMMENT PERIOD

Members of the public who desire to comment on a specific agenda item will be heard during this period. The Chairman/Vice Chairman of the Authority may restrict the number of speakers. Each speaker shall be limited to a total of three minutes for comments. *[Please note that the public comment period is not a question-and-answer session the public and the Authority]*

4. APPROVAL OF MINUTES OF THE OCTOBER 12, 2021 MEETING.

5. NEW BUSINESS

- A. Financial Status Reports as of October 31, 2021 – Mr. Michael L. Adkins, Authority Treasurer and Henrietta Weaver, CPA, City of Danville, Virginia

6. CLOSED SESSION

[During the closed session, all matters discussed shall involve receiving advice from legal counsel, and as such all communications during the closed session shall be considered attorney-client privileged.]

- A. As permitted by Section 2.2-3711(A)(5) of the Code of Virginia, 1950, as amended (“Virginia Code”), for discussion concerning one or more prospective businesses where no previous announcement has been made of that business’s interest in locating its facilities in one or more of the Authority’s projects, located in Pittsylvania County, Virginia, and/or Danville, Virginia; and
- B. As permitted by Virginia Code § 2.2-3711(A)(39) for discussion or consideration of records excluded under Virginia Code § 2.2-3705.6(3) (including without limitation (i) those certain confidential proprietary records voluntarily provided by private business pursuant to a promise of confidentiality from the Authority, and used by the Authority for business and trade development and (ii) those certain memoranda, working papers, or other information related to businesses that are considering locating or expanding in Virginia, prepared by the Authority, where competition or bargaining is involved and where disclosure of such information would adversely affect the financial interest of the Authority); such information being excluded from mandatory disclosure under Virginia Code § 2.2-3705.1(12) (information relating to the negotiation and award of a specific contract pertaining to the Authority’s Southern Virginia Megasite at Berry Hill project, Cyber Park project and/or Cane Creek Centre project, where competition or bargaining is involved and where the release of such information would adversely affect the bargaining power or negotiating strategy of the Authority) and Virginia Code § 2.2-3705.1(8) (appraisals and cost estimates of real property in one or more of the Authority’s projects subject to a proposed purchase, sale, or lease, prior to the completion of such purchase, sale, or lease); and

Danville-Pittsylvania Regional Industrial Facility Authority

- C. As permitted by Virginia Code § 2.2-3711(A)(3) for discussion or consideration of the acquisition and/or the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the Authority; and
- D. As permitted by Virginia Code § 2.2-3711(A)(8) for consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel; and
- E. As permitted by Virginia Code § 2.2-3711(A)(29) for discussion of the award of a public contract involving the expenditures of public funds where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the Authority.

RETURN TO OPEN SESSION

- F. Confirmation of Motion and Vote to Reconvene in Open Meeting.
- G. Motion to Certify Closed Meeting.

7. NEW BUSINESS CONTINUED

- A. Report on new entrance signage at the Institute for Advanced Learning and Research (IALR) – Mark Gignac, Executive Director, IALR

8. COMMUNICATIONS FROM:

- A. Authority Board Members
- B. Staff

9. ADJOURN

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 4
Meeting Date:	11/08/2021
Subject:	Meeting Minutes
From:	Susan M. DeMasi, Authority Secretary

SUMMARY

Attached for the Board's approval are the Meeting Minutes from the October 12, 2021 Meeting.

ATTACHMENTS

Meeting Minutes – 10/12/2021

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

October 12, 2021

A Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:09 p.m. on the above date at the Institute for Advanced Learning and Research, 150 Slayton Avenue, Room 206, Danville, Virginia. Present were City of Danville Members Chairman Sherman M. Saunders, J. Lee Vogler, Jr., and Alternate Dr. Gary P. Miller. Pittsylvania County Members present were Robert W. Warren, Vice Chairman Ronald S. Searce and Alternate Vic Ingram.

City/County staff members attending were: City Manager Ken Larking, Pittsylvania County Administrator David Smitherman, Deputy City Manager Earl Reynolds, City of Danville Director of Economic Development Corrie Bobe, Pittsylvania County Director of Economic Development Matt Rowe, City of Danville Director of Finance Michael Adkins, City of Danville Budget Director Henrietta Weaver, Pittsylvania County Project Manager Kattie Saunders, Christian & Barton Attorney Michael C. Guanzon, and Secretary to the Authority Susan DeMasi. Also present was Brian Bradner from Dewberry.

Vice Chairman Ron Searce presided.

Mr. Saunders requested a moment of silence to remember the passing of Linwood Wright, Vicky Farmer, Richard Turner and Sherman Lea's wife.

PUBLIC COMMENT PERIOD

No one present desired to be heard.

AMEND AGENDA

Mr. Saunders **moved** to Amend the Agenda to Add New Item 5D, Resolution 2021-10-12-5D. The Motion was **seconded** by Mr. Warren and carried by the following vote:

VOTE: 4-0
AYE: Searce, Warren, Saunders, and Vogler (4)
NAY: None (0)

APPROVAL OF MINUTES OF THE SEPTEMBER 13, 2021 MEETING

Upon **Motion** by Mr. Vogler and **second** by Mr. Warren, Minutes of the September 13, 2021 Meeting were approved as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

NEW BUSINESS

5A. CONSIDERATION OF RESOLUTION 2021-10-12-5A AUTHORIZING AN EASEMENT AND ROW AGREEMENT WITH APPALACHIAN POWER TO INSTALL A 138 KV LINE

Pittsylvania County Director of Economic Development Matt Rowe explained this item authorized the delivery of the Deed of Easement Right of Way for AEP to bring the new 138kV transmission line into the substation in the northern portion of the industrial park. The exact location has been defined, and they were on schedule to have the substation and the line constructed and in service by the second quarter of 2022.

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

October 12, 2021

Mr. Warren **moved** for adoption of *Resolution No. 2021-10-12-5A, authorizing the negotiation, execution and delivery of a Deed of Easement and Right of Way Agreement between the Authority and Appalachian Power Company, a Virginia corporation, a unit of American Electric Power, as grantee, under which the Authority would grant a transmission line easement over, through and along that certain real property (GPIN 1367-30-1931) located in the Authority's Southern Virginia Megasite at Berry Hill project, located in Pittsylvania County, Virginia, in order to install a 138kV transmission line.*

The Motion was **seconded** by Mr. Vogler and carried by the following vote:

VOTE: 4-0
AYE: Scarce, Warren, Saunders, and Vogler (4)
NAY: None (0)

5B. CONSIDERATION OF RESOLUTION NO. 2021-10-12-5B AUTHORIZING A SUPPLEMENTAL EASEMENT AND ROW AGREEMENT WITH APPALACHIAN POWER TO RELOCATE A 69KV TRANSMISSION LINE

Mr. Rowe noted this was a similar agreement; RIFA received a loan from the Tobacco Commission to relocate the existing 69 kV line that currently runs through park's main site. It will be relocated along US 311; that area has been identified and agreed to and this was to approve that right of way easement for the relocation. That project was scheduled to occur at the end of the year, and be completed by the end of this year or the first quarter of 2022.

Mr. Vogler **moved** for adoption of *Resolution No. 2021-10-12-5B, authorizing the negotiation, execution and delivery of a Supplemental Easement and Right of Way Agreement between the Authority and Appalachian Power Company, a Virginia corporation, a unit of American Electric Power, as grantee, under which the Authority would grant a supplemental easement over, through and along certain real property (GPINs 1356-75-0037 and 1367-41-6185) located in the Authority's Southern Virginia Megasite at Berry Hill project, located in Pittsylvania County, Virginia, in order to relocate a 69kV transmission line.*

The Motion was **seconded** by Mr. Warren and carried by the following vote:

VOTE: 4-0
AYE: Scarce, Warren, Saunders, and Vogler (4)
NAY: None (0)

5C. FINANCIAL STATUS REPORT AS OF SEPTEMBER 30, 2021

Authority Treasurer Michael Adkins gave the Financial Status report as of September 30, 2021 beginning with Cane Creek Bonds which showed no activity for the month of September. General Expenditures for Fiscal Year 2022 show RIFA paid \$348 for meal and \$36 for the monthly utility bill. Funding for Berry Hill Other than Bonds, and Lots 1 and 2 showed no activity for September. Water and Sewer at Berry Hill showed \$7,205 expended to Dewberry for work under Amendment #28, and \$147,339 expended to Haymes Brothers for continued work on the Phase 1 Sanitary Sewer System. Next was a new page, Cyberpark Development; RIFA received \$207,000 from the Tobacco Commission which was part of the incentive package for MEP; it was a loan proceed between MEP and the Commission that was received and expended during the month of September. In addition, RIFA transferred funding from the

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

October 12, 2021

General Revenue page to this funding sheet, \$42,750 from the sale of the Mountain Valley Pipeline proceeds, and an expenditure to Dewberry for Lot 7B pad grading for \$11,237.50. Rent, Interest and Other Income for FY 22 show RIFA received \$21,966 in rent from the Institute related to the Hawkins' Building, \$200,000 from the City of Danville, which was reimbursement for Water and Sewer, and expended the \$21,966 to the Institute related to the Hawkins' Building. Staff transferred funding to the Cyberpark Development of \$42,750 and also paid \$2,076 to the Institute as part of MEP's rent.

Mr. Saunders **moved** to accept the Financial Report as presented; the Motion was **seconded** by Mr. Warren and carried by the following vote:

VOTE: 4-0
AYE: Scarce, Warren, Saunders, and Vogler (4)
NAY: None (0)

5D. CONSIDERATION OF RESOLUTION 2021-10-12-5D APPROVING A CONSTRUCTION MATERIAL STORAGE LEASE WITH APPALACHIAN POWER AT SVM AT BERRY HILL

Authority Attorney Michael Guanzon explained this was a Construction Materials Storage Lease Agreement in support of the line relocation at the Megasite by AEP; they need a place to store their materials as they do their work. It was a one-year term, \$1,500 per month with a three-month renewal option for the same amount. There were a few revisions to the legal terms but they will not affect the business terms of the Agreement. A provision in the Resolution states that it will be subject to those revisions, and it will be signed after that.

Mr. Saunders **moved** for adoption of *Resolution 2021-10-12-5D, approving that Certain Construction Materials Storage Lease Agreement with Appalachian Power Company, a Virginia Public Service Corporation, as Lessee, to Facilitate the Relocation of a 69 Kv Transmission Line Located in the Authority's Southern Virginia Megasite at Berry Hill, Located in Pittsylvania County, Virginia, at a Lease Rate of \$1,500 Per Month During the Initial One-Year Term, with an Option to Renew for an Additional Three Months.*

The Motion was **seconded** by Mr. Vogler and carried by the following vote:

VOTE: 4-0
AYE: Scarce, Warren, Saunders, and Vogler (4)
NAY: None (0)

6. CLOSED SESSION

[During the closed session, all matters discussed shall involve receiving advice from legal counsel, and as such all communications during the closed session shall be considered attorney-client privileged.]

At 12:18 p.m. Mr. Warren **moved** that the Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority be recessed in a Closed Meeting for the following purposes:

A. As permitted by Section 2.2-3711(A)(5) of the Code of Virginia, 1950, as amended ("Virginia Code"), for discussion concerning one or more prospective businesses where no previous announcement has been made of that business's interest in locating its facilities in

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

October 12, 2021

one or more of the Authority's projects, located in Pittsylvania County, Virginia, and/or Danville, Virginia; and

B. As permitted by Virginia Code § 2.2-3711(A)(39) for discussion or consideration of records excluded under Virginia Code § 2.2-3705.6(3) (including without limitation (i) those certain confidential proprietary records voluntarily provided by private business pursuant to a promise of confidentiality from the Authority, and used by the Authority for business and trade development and (ii) those certain memoranda, working papers, or other information related to businesses that are considering locating or expanding in Virginia, prepared by the Authority, where competition or bargaining is involved and where disclosure of such information would adversely affect the financial interest of the Authority); such information being excluded from mandatory disclosure under Virginia Code § 2.2-3705.1(12) (information relating to the negotiation and award of a specific contract pertaining to the Authority's Southern Virginia Megasite at Berry Hill project, Cyber Park project and/or Cane Creek Centre project, where competition or bargaining is involved and where the release of such information would adversely affect the bargaining power or negotiating strategy of the Authority) and Virginia Code § 2.2-3705.1(8) (appraisals and cost estimates of real property in one or more of the Authority's projects subject to a proposed purchase, sale, or lease, prior to the completion of such purchase, sale, or lease); and

C. As permitted by Virginia Code § 2.2-3711(A)(3) for discussion or consideration of the acquisition and/or the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the Authority; and

D. As permitted by Virginia Code § 2.2-3711(A)(8) for consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel.

E. As permitted by Virginia Code § 2.2-3711(A)(29) for discussion of the award of a public contract involving the expenditures of public funds where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the Authority.

The Motion was **seconded** by Mr. Vogler and carried by the following vote:

VOTE: 4-0
AYE: Searce, Warren, Saunders, and Vogler (4)
NAY: None (0)

RETURN TO OPEN SESSION

On **Motion** by Mr. Saunders and **second** by Mr. Warren and by unanimous vote at 1:00 p.m., the Authority returned to open meeting.

Mr. Warren **moved** for adoption of the following Resolution:

WHEREAS, the Authority convened in Closed Meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Freedom of Information Act; and

WHEREAS, Section 2.2-3711 of the Code of Virginia, 1950, as amended, requires a

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

October 12, 2021

Certification by the Authority that such Closed Meeting was conducted in conformity with Virginia Law;

NOW, THEREFORE, BE IT RESOLVED that the Authority hereby certifies that, to the best of each Member's knowledge, (i) only public business matters lawfully exempted by the open meeting requirements of Virginia Law were discussed in the Closed Meeting to which this Certification Resolution applies, and (ii) only such public business matters as were identified in the motion convening the Closed Meeting were heard, discussed, or considered by the Authority.

The Motion was **seconded** by Mr. Vogler and carried by the following vote:

VOTE: 4-0
AYE: Warren, Scearce, Saunders, and Vogler (4)
NAY: None (0)

NEW BUSINESS CONTINUED

7A. CONSIDERATION OF RESOLUTION 2021-10-12-7A AUTHORIZING THE EXECUTION OF A SUPPLEMENTAL RIGHT OF WAY AND EASEMENT AGREEMENT WITH APPALACHIAN POWER

Mr. Rowe explained this item was for the supplemental right of way going through Cane Creek; they wanted to add on fifteen feet on both sides, about thirty feet total. At the last meeting, the Board directed staff to go back to AEP and require \$35,000 per acre for the right of way that was needed through the industrial park based upon the cost of land in the industrial park. The response from AEP was that they were at \$15,000 per acre, originally they were at \$5,000 per acre. Mr. Guanzon explained staff reached out to them again, but they have not responded, and they want it done. The decision would be to go ahead and approve it and see if they will budge and if not, staff may have to come back next month. When they usually get these expansions for easements, they base it on the tax assessed value of the lots. Because RIFA does not have anyone on those lots the tax assessed value was low. Trying to put together a recruitment package, staff bases it on the assumption of \$35,000 per acre.

Mr. Warren noted he was going to make a **motion** that the Board approve Mr. Guanzon returning to AEP at \$35,000 an acre and continue the negotiations. In the event there was any variance from that, he will come back to the Board next month, but he will have the authority to close the deal if AEP agrees to \$35,000.

The Motion was **seconded** by Mr. Saunders and carried by the following vote:

VOTE: 4-0
AYE: Warren, Scearce, Saunders, and Vogler (4)
NAY: None (0)

COMMUNICATIONS

A. Authority Board Members

Mr. Saunders thanked Mr. Scearce for chairing the meeting, he was scheduled for jury duty

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

October 12, 2021

and had to be ready to serve if he was called. Mr. Saunders asked that they all continue to keep the people he mentioned earlier in their thoughts and prayers. Mr. Lea and his wife were from Danville, Mr. Lea retired from the State, and was now doing a good job in Roanoke. Mr. Saunders stated he worked closely with Ms. Farmer for 24 years and especially eight years as Mayor.

Mr. Warren noted Linwood Wright was a big part of the region and was passionate about economic development for the area. The County sends their condolences to the City and did release a statement from the Board of Supervisors. They have also had tragedy within their group; they had a young landfill employee that lost his life from COVID, Mr. John Foster's son.

Mr. Ingram stated they should not forget twenty-one years ago today, the USS Cole was attacked, killing seventeen soldiers and injuring thirty-seven, and one of the seventeen victims was Timothy Saunders from Ringgold.

B. Staff

i. Marketing Overview for the Southern Virginia Megasite at Berry Hill

Mr. Rowe shared a PowerPoint with the Board on the Megasite and noted he wanted to review some challenges that need to be overcome, and some that RIFA has been able to address. The Megasite has large acreage, 3,528 acres, with flexibility for multiple users or a single user. It was a certified Tier 5, Quest Site Solutions Certified Site and has 200 acres of graded pad area. There was the new four lane connector road, fully funded and designed, and rail access. Water was there with 7MG per day capacity, 4MG per day of sewer; if they needed to use raw water for a process for a client, they can get up to 35MG per day; they have had clients look at that. There was an existing gate on the Transco gas line for natural gas, that was very attractive, and they can deliver any kind of delivery volume and pressure needed. For power, they will have the new 138kV redundant feed line which was capable of delivering over 300MW to the substation by the end of the second quarter of 2022. This was site strategically positioned so they can get additional electrical capacity, 700+ megawatts; that was a lot of power and not many sites can do that. Dark fiber was in place with terabyte plus speeds.

Mr. Rowe noted the recent Ford announcement was on the Memphis Regional Megasite, and the battery plant was on the Glendale Megasite in Hardin County, Kentucky, close to Elizabeth, Kentucky. Comparing those sites to the Megasite, SVM has water, sewer, all power, and was better positioned than them. In Memphis they were trying to run a line 34 miles to the Mississippi River for water. On the Hardin site, they were in the process of putting in water, about 2MG per day. From a labor force standpoint, against those sites, SVM was much stronger than Memphis Megasite; the Memphis site was fifty-five miles outside the City of Memphis. It was in the Mississippi Delta, in a county that had a population of around 18,000 people. The nearest town was Stanton Springs which had 500 people, it was extremely rural; this region's labor force was much stronger. The same with the Hardin County site; Louisville was about 60 miles away, but Elizabeth was a city of about 25,000, and much more comparable to this region. When doing benchmarks of SVM compared to other mega sites, SVM comes in Number 3 on labor access within a sixty mile radius. The top one was the Hutto Megasite where Tesla was building its brand-new facility right next to the Austin International Airport. Second place was the Greensboro Megasite on I-40 and SVM was number three. The labor force really wasn't a concern; these other sites, minus Greensboro,

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

October 12, 2021

SVM was competing against were much flatter, which means the time of development was shorter. The Memphis site was literally a big farm field, just barely above the flood plain and it probably deviates maybe five feet over the entire site. The Kentucky site has a deviation of maybe forty feet over the entire site; the reason why it has been looked over in the past was due to karst topography, there were some limestone and sinkholes that were a concern. SVM doesn't have that going against it but SVM's negative was, over the developable area of the site there was a difference of about 125 to 140 feet. With that terrain, there will be ephemeral and perennial stream channels that flatter areas don't have because they have irrigation ditches. They were looked at differently than Waters of the US and that makes the permit process easier. The final thing for Ford, they did look at SVM, but the fact was that SVM was not far enough west; they wanted to get into that traditional automotive supply chain. The Appalachian Mountains separate this region from that automotive alley and made it difficult from a logistics standpoint. Staff was looking at what can be changed and looking at the sites that have been chosen for these big projects; everyone except for one has been in a pasture state. The one that was not was the Volvo Plant down in Ridgeville, South Carolina. They literally built that in forested wetlands and the Army Corp down there was much less stringent. That was something else that was being worked on in Virginia; they were getting a new Colonel with the Army Corp and seeing if they can get a little bit more lenient review.

ii. Discussion on update/replacement of entrance sign for Cane Creek Centre.

Ms. Bobe noted due to the number of businesses locating in Cane Creek Centre, they need more room on their sign. Ms. Bobe explained she was working with the City's purchasing department to develop an RFP to go out to bid for a new design build combination based on the Board's recommendations, and she will add the landscaping as part of that. Staff will bring back the proposals to the Board at an upcoming meeting, to see what the project would look like. There was a need for something larger, and more visible to provide additional signage for the companies. Ms. Bobe asked if the Ringgold East Industries should be included on the sign Mr. Rowe noted yes, and Ms. Bobe noted she would make sure they were included.

Mr. Saunders noted it was his understanding the Director of the Institute would like to talk to the Board about a site sign. Mr. Saunders noted he sent an email where Mr. Gignac asked about the November meeting to talk about signs. Ms. Bobe noted she would reach out to Mr. Gignac before the meeting.

Meeting Adjourned at 1:20 PM

APPROVED:

Chairman

Secretary to the Authority

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 5A
Meeting Date:	November 8, 2021
Subject:	Financial Status Reports – October 31, 2021
From:	Michael L. Adkins, Authority Treasurer

SUMMARY

A review of the financial status reports through October 31, 2021 will be provided at the meeting. The financial status reports as of October 31, 2021 are attached for the DPRIFA Board's review.

RECOMMENDATION

Staff recommends approving the financial status reports as of October 31, 2021 as presented.

ATTACHMENTS

Financial Status Reports

Financial Status

Table of Contents

- A. \$7.3 Million Bonds - Cane Creek Centre
- B. General Expenditures for FY2022
- C. SVM at Berry Hill – Funding Other than Bond Funds
- D. SVM at Berry Hill – Lots 1 & 2 Site Development
- E. SVM at Berry Hill – Water & Sewer
- F. Cyber Park Site Development
- G. Rent, Interest, and Other Income Realized
- H. Monthly Checks
- I. Unaudited Financial Statements

Danville-Pittsylvania Regional Industrial Facility Authority

\$7,300,000 Bonds for Cane Creek Centre - Issued in August 2005 ⁷

As of October 31, 2021

	<u>Funding</u>	<u>Budget / Contract Amount</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
Funding					
Funds from bond issuance	\$7,300,000.00				
Issuance cost	(155,401.33)				
Refunding cost ⁷	(52,500.00)				
Bank fees	(98.25)				
Interest earned to date	486,581.70				
Cane Creek Parkway ³		\$3,804,576.00	\$3,724,241.16	\$ -	
Swedwood Drive ²		69,414.00	69,414.00	-	
Cane Creek Centre entrance ³		72,335.00	53,878.70	-	
Financial Advisory Services		9,900.00	9,900.00	-	
Dewberry contracts ¹		69,582.50	69,582.50	-	
Dewberry contracts not paid by 1.7 grant ^{4,5}		76,986.46	56,379.12	20,607.34	
Land		-	2,792,945.57	-	
Demolition services		71,261.62	71,261.62	-	
Legal fees		-	247,837.83	-	
CCC - Lots 3 & 9 project - RIFA Local Share ⁶		142,190.00	112,464.98	-	
Other expenditures		-	347,194.30	-	
Total	\$ 7,578,582.12	\$ 4,316,245.58	\$ 7,555,099.78	\$ 20,607.34	<u><u>\$ 2,875.00</u></u>

Notes:

¹ Dewberry Contracts consist of wetland, engineering, surveying and site preparation

² Funds being used to cover City and County matching contributions for a VDOT grant for Swedwood Drive

³ Project completed under budget

⁴ In September 2008 the outstanding principal balance of \$6,965,000 on the Series 2005 Cane Creek Project Revenue Bonds was tendered and not remarketed. These bonds were converted to bank bonds and are now subject to the Credit and Reimbursement agreement the Authority has with Wachovia Bank. The remarketing agent will continue its attempt to remarket these bonds in order to convert them back to Variable Rate Revenue Bonds. As a result, it is likely that the City and County will have to contribute additional funds in order to make future interest payments on the letter of credit attached to these bonds.

⁴ These contracts were originally to be paid by the \$1.7M Special Projects Grant, this grant has expired and the TIC did not issue an extension. The remaining amounts of the contract will be paid using bond funds.

⁵ The budget amount decreased \$71,279.61 from the 9/30/2010 reports. This amount represented the remaining budget amount carried from the \$1.7 SP grant upon its expiration for the following contracts: Wetland Delineation, Wetland Bank Plan Rev., Stream Concept Plan, & Stream Attribute Plan. Per Shawn Harden of Dewberry, these contracts are complete and finished under budget. The only contract that remains open is for Wetland Monitoring and the budget, expended, and encumbered amounts included here are only for this contract.

⁶ This line item represents the amount of expenditures on the "CCC - Lots 3 & 9" budget sheet that is covered by bond funds. RIFA's local share of 5% of these project costs is being covered by these bond funds. Project finished under original budget.

⁷ The \$7.3 million bonds were refunded on 8/1/2013 with the issuance of refunding bonds in the amount of \$5,595,000.

Road Summary-Cane Creek Parkway:

English Contract-Construction	\$ 5,363,927.00
Change Orders	165,484.50
Expenditures over contract amount	3,579.50
(Less) County's Portion of Contract	(935,207.00)
(Less) Mobilization Allocated to County	(9,718.00)
Portion of English Contract Allocated to RIFA	4,588,066.00
Dewberry Contract-Engineering	683,850.00
Total Road Contract Allocated to RIFA	\$ 5,271,916.00

Funding Summary - Cane Creek Parkway

VDOT	\$ 1,467,340.00
Bonds	3,804,576.00
	\$ 5,271,916.00

Danville-Pittsylvania Regional Industrial Facility Authority

General Expenditures for Fiscal Year 2022

As of October 31, 2021

	<u>Funding</u>	<u>Budget</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
Funding					
City Contribution	\$ 75,000.00				
County Contribution	75,000.00				
Carryforward from FY2021	24,625.84				
Contingency					
Miscellaneous contingency items	\$ 9,050.84	\$ 9,050.84	\$ 8,930.95	\$ -	\$ 119.89
SVM at Berry Hill - grading for sign placement	\$ 20,000.00			\$ 20,000.00	-
Total Contingency Budget		29,050.84	8,930.95	20,000.00	119.89
Legal		115,000.00		-	115,000.00
Accounting		23,075.00		-	23,075.00
Postage & Shipping		100.00		-	100.00
Meals		4,000.00	895.57	-	3,104.43
Utilities		400.00	102.70	-	297.30
Insurance		3,000.00	2,623.00	-	377.00
Total	\$ 174,625.84	\$ 174,625.84	\$ 12,552.22	\$ 20,000.00	\$ 142,073.62

Danville-Pittsylvania Regional Industrial Facility Authority
Southern Virginia Megasite at Berry Hill - Funding Other than Bond Funds
As of October 31, 2021

Funding	Funding	Budget / Contract Amount	Expenditures	Encumbered	Unexpended / Unencumbered
City contribution	\$ 134,482.50				
County contribution	134,482.50				
City advance for Klutz, Canter, & Shoffner property ^{1,4}	10,340,983.83				
Tobacco Commission FY09 SSED Allocation	3,370,726.00				
Tobacco Commission FY10 SSED Allocation - Engineering Portion	407,725.00				
Tobacco Comm. FY10 SSED Allocation - Eng. Portion Deobligated	(244,797.00)				
Local Match for TIC FY10 SSED Allocation - Engineering Portion ⁵	76,067.61				
Additional funds allocated by RIFA Board on 1/14/2013 ⁶	11,854.39				
TIC #2264 - Phase II Land and Engineering	3,700,000.00				
VA Economic Development Partnership MEI Grant Funds	577,503.14				
Virginia Resources Authority - TRRF Loan #3658	4,500,000.00				
Land					
Klutz property		\$ 8,394,553.50	\$ 8,394,553.50	\$ -	
Canter property ²		1,200,000.00	1,200,000.00	-	
Adams property		37,308.00	37,308.00	-	
Carter property		5,843.00	5,843.00	-	
Jane Hairston property		1,384,961.08	1,384,961.08	-	
Bill Hairston property		201,148.00	201,148.00	-	
Shoffner Property		1,872,896.25	1,872,896.25	-	
401 Buford Road		246,082.96	246,082.96	-	
Off State Road 1055		181,890.19	181,890.19	-	
604 Buford Road		361,896.60	361,896.60	-	
Other					
Dewberry & Davis		28,965.00	28,965.00	-	
Dewberry & Davis ³		990,850.00	987,879.29	2,970.71	
Consulting Services - McCallum Sweeney ⁷		115,000.00	103,796.85	-	
Dewberry Engineers (related to #2264)		160,500.00	160,500.00	-	
Dewberry Engineers		421,250.00	417,050.00	4,200.00	
Appalachian Power Company		5,178,500.00	5,178,500.00	-	
Banister Bend Farm, LLC		199,064.00	199,064.00	-	
Transfer available funds to "Berry Hill Mega Park - Lot 4 Site Development" Project ⁸		-	11,203.15	-	
Total	\$ 23,009,027.97	\$ 20,980,708.58	\$ 20,973,537.87	\$ 7,170.71	\$ 2,028,319.39

¹ This figure does not include the interest the City lost from the uninvested funds, which was paid to the City 1/3/2012 and totaled \$144,150.41.

² Settlement fees were drawn from bonds issued for the Berry Hill project 12/1/2011.

³ This contract was originally for \$814,500, but has been amended to include a traffic impact analysis, and a cemetery survey. \$740,000 was covered by the FY09 Tobacco Allocation. \$162,928 was covered by the FY10 Tobacco Allocation. \$87,922 will be covered with RIFA Funds.

⁴ RIFA paid the City back for all advances on 1/3/2012.

⁵ The RIFA Board approved to utilize the remaining funds from the Mega Park bond funds and approximately \$65,000 of the 'Funds Available for Appropriation' towards the local match for the engineering portion of Tobacco Commission grant #1916 for the Berry Hill Mega Park.

⁶ Due to the expiration of the Tobacco Commission FY10 SSED Allocation, the RIFA Board approved on 1/14/2013 to utilize \$11,854.39 of the 'Funds Available for Appropriation' to cover the funding shortfall for the budgeted Dewberry & Davis contract.

⁷ Unencumbered the remaining \$11,203.15 due to termination of contract.

⁸ As approved by RIFA Board on 10/16/2014

Danville-Pittsylvania Regional Industrial Facility Authority

Southern Virginia Megasite at Berry Hill - Lots 1&2 Site Development

As of October 31, 2021

	<u>Funding</u>	<u>Budget / Contract Amount</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
<i>Funding</i>					
<i>TIC #3358 Site Improvements</i>					
Tobacco Commission Grant	\$ 2,624,800.00				
<i>Expenditures</i>					
Dewberry Engineers Inc.		379,300.00	214,800.00	164,500.00	
<i>Total</i>	\$ 2,624,800.00	\$ 379,300.00	\$ 214,800.00	\$ 164,500.00	\$ <u>2,245,500.00</u>

Danville-Pittsylvania Regional Industrial Facility Authority

Southern Virginia Megasite at Berry Hill - Water & Sewer

As of October 31, 2021

	<u>Funding</u>	<u>Budget / Contract Amount</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
Funding					
TIC #2641 Phase I Sanitary Sewer					
Tobacco Commission Grant 2641	\$ 4,840,977.86				
Local Match for Contractual Services	274,926.43				
Local Match for Property & Imp.	262,960.00				
TIC #3011 Water System Improvements Phase II					
Tobacco Commission Grant 3011	2,241,567.00				
Local Match for Property & Imp.	224,160.00				
City of Danville Utilities	3,863,873.56				
Expenditures					
Dewberry Engineers Inc.		1,020,049.99	847,484.99	172,565.00	
Haymes Brothers, Inc. - Phase I Sanitary Sewer		5,092,668.30	5,092,668.30	-	
Haymes Brothers, Inc. - Phase I Sanitary Sewer (City)		3,249,548.56	3,210,312.35	39,236.21	
C.W. Cauley & Son - Phase 1 Water		1,843,540.00	950,565.25	892,974.75	
Norfolk Southern Railway Company		22,300.00	22,300.00	-	
Pittsylvania County Service Authority		1,475.00	1,475.00	-	
Treasurer of Virginia		7,900.00	7,900.00	-	
AECOM		5,000.00	5,000.00	-	
BH Media Group, Inc.		296.00	296.00	-	
Danville Register & Bee		600.00	600.00	-	
Total	\$ 11,708,464.85	\$ 11,243,377.85	\$ 10,138,601.89	\$ 1,104,775.96	\$ <u>465,087.00</u>

Danville-Pittsylvania Regional Industrial Facility Authority

Cyber Park Site Development

As of October 31, 2021

		<u>Budget /</u>			<u>Unexpended /</u>
	<u>Funding</u>	<u>Contract Amount</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unencumbered</u>
Funding					
MEP TROF Loan	\$ 270,000.00				
Transfer from Other Income	42,750.00				
Expenditures					
Dewberry Engineers Inc.		42,750.00	11,237.50	31,512.50	
Making Everything Possible LLC (Incentives)		270,000.00	270,000.00	-	
Total	\$ 312,750.00	\$ 312,750.00	\$ 281,237.50	\$ 31,512.50	\$ -

Danville-Pittsylvania Regional Industrial Facility Authority

Rent, Interest, and Other Income Realized for Fiscal Year 2022

As of October 31, 2021

Source of Funds	Funding		Expenditures FY2022	Unexpended / Unencumbered
	Carryforward from FY2021	Receipts Current Month		
<u>Carryforward</u>	\$ 1,248,519.93			
<u>Current Lessees</u>				
Institute for Advanced Learning and Research (IALR) ¹		\$ 21,965.83	\$ 87,863.32	
Axxor N.A. LLC			1,000.00	
Total Rent		\$ 21,965.83	\$ 88,863.32	
<u>Interest Received</u> ²		\$ 22.52	\$ 69.05	
<u>Miscellaneous Income</u>		\$ 51,398.87	\$ 368,398.87	
Expenditures				
Hawkins Research Bldg. Property Mgmt. Fee			\$ 65,897.49	
Incentive Disbursements to Morgan Olson, LLC			\$ 117,000.00	
Transfer to Cyber Park Development			\$ 42,750.00	
Incentive Disbursements to MEP LLC			\$ 16,375.01	
Totals	\$ 1,248,519.93	\$ 73,387.22	\$ 457,331.24	\$ 242,022.50
				\$ 1,463,828.67

Restricted ¹	\$ 334,792.53
Unrestricted	\$ 74,786.14
Committed	\$ 1,054,250.00

¹ Please note that rent proceeds must be used in accordance with the U.S. Economic Development Administration's (EDA) Standard Terms and Conditions

² Please note that this is only interest received on RIFA's general money market account.

Danville-Pittsylvania Regional Ind. Facility Authority
Check Detail
October 2021

Check Number	Date	Vendor Name	Paid Amount
2435	10/12/2021	Dewberry Engineers Inc.	85,340.00
2436	10/12/2021	IALR	21,965.83
2437	10/12/2021	IALR	314.64
2438	10/12/2021	IALR	14,299.34
2439	10/12/2021	River District Electrical, LLC	3,510.95
2440	10/12/2021	Sellers Brothers, Inc.	5,420.00
WIRE	10/20/2021	City of Danville A/P	36.00

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Net Position ^{1,2}
October 31, 2021*

	Unaudited FY 2022
Assets	
<i>Current assets</i>	
Cash - checking	\$ 1,743,748
Cash - money market	456,612
Accounts receivable	376,454
<i>Total current assets</i>	2,576,814
<i>Noncurrent assets</i>	
Restricted cash - project fund CCC bonds	29,982
Restricted cash - debt service fund CCC bonds	517,807
Capital assets not being depreciated	24,352,275
Capital assets being depreciated, net	21,672,622
Construction in progress	27,458,332
<i>Total noncurrent assets</i>	74,031,018
Total assets	76,607,832
Liabilities	
<i>Current liabilities</i>	
Economic development payable - current portion	147,000
Bonds payable - current portion	465,000
<i>Total current liabilities</i>	612,000
<i>Noncurrent liabilities</i>	
Bonds payable - less current portion	1,210,000
Loans payable - less current portion	4,500,000
<i>Total noncurrent liabilities</i>	5,710,000
Total liabilities	6,322,000
Net Position	
Net investment in capital assets	71,838,211
Restricted - debt reserves	517,807
Unrestricted	(2,070,186)
Total net position	\$ 70,285,832

¹ Please note this balance sheet does not include the Due to/Due from between the County and the City since it nets out and only changes at fiscal year-end.

² Please note this balance sheet does not include all general accounts receivable or accounts payable at the month-end date. This is because information regarding accrued receivables/payables is not available at the time of statement preparation.

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Revenues and Expenses and Changes in Fund Net Position
October 31, 2021*

	Unaudited FY 2022
Operating revenues	
Virginia Tobacco Commission Grants	270,000
Rental income	77,039
Other Income	210,417
Total operating revenues	557,456
Operating expenses⁴	
Mega Park expenses ³	57,186
Cyber Park expenses ³	349,211
Other operating expenses	9,323
Total operating expenses	415,720
Operating income (loss)	141,736
Non-operating revenues (expenses)	
Interest income	69
Total non-operating expenses, net	69
Net income (loss) before capital contributions	141,805
Capital contributions	
Contribution - City of Danville	373,683
Contribution - Pittsylvania County	341,510
Total capital contributions	715,193
Change in net position	856,998
Net position at July 1, 2021	69,428,834
Net position at October 31, 2021	\$ 70,285,832

³ A portion or all of these expenses may be capitalized at fiscal year-end.

⁴ Please note that most non-cash items, such as depreciation and amortization, are not included here until year-end entries are made.

⁵ Please note this statement will change once all FY2021 entries are made and may also change depending on audit adjustments, if any, for FY2021 and the nature of those audit adjustments.

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Cash Flows
*October 31, 2021**

	Unaudited FY 2022
Operating activities	
Receipts from leases	\$ 88,864
Other receipts	597,000
Payments to suppliers for goods and services	(948,339)
Net cash used by operating activities	(262,475)
Capital and related financing activities	
Capital contributions	715,194
Interest paid on bonds	(29,396)
Net cash provided by capital and related financing activities	685,798
Investing activities	
Interest received	69
Net cash provided by investing activities	69
Net increase (decrease) in cash and cash equivalents	423,392
Cash and cash equivalents - beginning of year (including restricted cash)	2,324,757
Cash and cash equivalents - through October 31, 2021 (including restricted cash)	\$ 2,748,149
Reconciliation of operating loss before capital contributions to net cash used by operating activities:	
Operating income (loss)	\$ 141,736
Changes in assets and liabilities:	
Change in other receivables	117,583
Change in accounts payable	(518,319)
Change in unearned income	(3,475)
Net cash used by operating activities	\$ (262,475)

Components of cash and cash equivalents at October 31, 2021:

American National - Checking	\$ 1,743,748
American National - General money market	456,612
Wells Fargo - \$7.3M Bonds CCC Debt service fund	517,807
Wells Fargo - \$7.3M Bonds CCC Project fund	29,982
	\$ 2,748,149

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.: Item 6ABCDEFG

Meeting Date: 11/08/2021

Subject: Closed Session Items A-E as presented in the Agenda

From: Chairman

- A. As permitted by Section 2.2-3711(A)(5) of the Code of Virginia, 1950, as amended (“Virginia Code”), for discussion concerning one or more prospective businesses where no previous announcement has been made of that business’s interest in locating its facilities in one or more of the Authority’s projects, located in Pittsylvania County, Virginia, and/or Danville, Virginia; and
- B. As permitted by Virginia Code § 2.2-3711(A)(39) for discussion or consideration of records excluded under Virginia Code § 2.2-3705.6(3) (including without limitation (i) those certain confidential proprietary records voluntarily provided by private business pursuant to a promise of confidentiality from the Authority, and used by the Authority for business and trade development and (ii) those certain memoranda, working papers, or other information related to businesses that are considering locating or expanding in Virginia, prepared by the Authority, where competition or bargaining is involved and where disclosure of such information would adversely affect the financial interest of the Authority); such information being excluded from mandatory disclosure under Virginia Code § 2.2-3705.1(12) (information relating to the negotiation and award of a specific contract pertaining to the Authority’s Southern Virginia Megasite at Berry Hill project, Cyber Park project and/or Cane Creek Centre project, where competition or bargaining is involved and where the release of such information would adversely affect the bargaining power or negotiating strategy of the Authority) and Virginia Code § 2.2-3705.1(8) (appraisals and cost estimates of real property in one or more of the Authority’s projects subject to a proposed purchase, sale, or lease, prior to the completion of such purchase, sale, or lease); and
- C. As permitted by Virginia Code § 2.2-3711(A)(3) for discussion or consideration of the acquisition and/or the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the Authority; and
- D. As permitted by Virginia Code § 2.2-3711(A)(8) for consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel.
- E. As permitted by Virginia Code § 2.2-3711(A)(29) for discussion of the award of a public contract involving the expenditures of public funds where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the Authority.

RETURN TO OPEN SESSION

F. Confirmation of Motion and Vote to Reconvene in Open Meeting.

G. Motion to Certify Closed Meeting.

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.: Item 7A – New Business Continued
Meeting Date: 11/08/2021
Subject: IALR Entrance Signage
From: Mark Gignac, Executive Director, IALR

SUMMARY

Mr. Gignac will make a presentation to the Board regarding new entrance signage at the Institute.

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.: Item 8

Meeting Date: 11/08/2021

Subject: Communications

From: Board and Staff

- A. Authority Board Members
- B. Staff