DANVILLE CITY COUNCIL WORK SESSION AGENDA

MUNICIPAL BUILDING

November 8, 2018

7:30 P.M.

MEETING CALLED TO ORDER

MINUTES

A. Consideration of Approval of Minutes from Regular Work Session held on October 4, 2018.
Council Letter Number CL - 2020.

WORK SESSION ITEMS

A. Review of Employee and Retiree Benefit Changes for 2019.
Council Letter Number CL - 2010.

B. Consideration of Authorizing Execution of a Lease Agreement with Norfolk Southern.
Council Letter Number CL-2013

C. Consideration of Authorizing a Deed of Easement for Access Across Parcel #60207.
Council Letter Number CL-2012

D. Discussion of Storm Drainage on Private Property.
Council Letter Number CL - 2005.

PROGRAM UPDATE

ECONOMIC DEVELOPMENT UPDATE

COMMUNICATIONS FROM

A. City Manager

B. Deputy City Manager

C. City Attorney

D. City Clerk

E. Roll Call

CLOSED MEETING

As Permitted by Subsection (A)(3) of Section 2.2-3711 of the Code of Virginia, 1950, as amended for discussion or consideration of the acquisition of real property or of the disposition of publicly held real property, and

As Permitted by Subsection (A)(5) of Section 2.2-3711 of the Code of Virginia, 1950, as amended for discussion concerning a prospective business or industry related to economic development.

A. Motion to Convene in Closed Meeting
B. Motion to Reconvene in Open Meeting
C. Motion to Certify Closed Meeting

ADJOURNMENT

Council Letter
City of Danville, Virginia

CL-2020 **Meeting Minutes** **Item #:** **A.**

Work Session Meeting

Meeting Date: 11/08/2018

Subject: Approval of Meeting Minutes

From: Susan M. DeMasi, City Clerk

COUNCIL ACTION

Work Session Meeting: 11/08/2018

SUMMARY

Consideration of Approval of Minutes from Regular Work Session held on October 4, 2018.
Council Letter Number CL - 2020.

Attachments

Meeting Minutes

October 4, 2018

A Regular Work Session of the Danville City Council convened on October 4, 2018 at 8:27 p.m. in the Conference Room located on the Fourth Floor of the Municipal Building. Council Members present were: James B. Buckner, L. G. “Larry” Campbell Jr., Mayor Alonzo L. Jones, Dr. Gary P. Miller, Sherman M. Saunders, Fred O. Shanks, III, Adam J. Tomer, Vice Mayor J. Lee Vogler, Jr., and Madison J.R. Whittle (9).

Staff Members present were: City Manager Ken Larking, Deputy City Manager Earl B. Reynolds, City Attorney W. Clarke Whitfield Jr., and City Clerk Susan M. DeMasi.

Mayor Jones presided.

MINUTES

Upon **Motion** by Council Member Saunders and **second** by Council Member Campbell, Minutes from the Regular Work Session held on August 21, 2018 and Regular Work Session held on September 4, 2018, were approved as presented. Draft copies were distributed to Council Members prior to the Meeting.

WORK SESSION ITEMS

CONSIDERATION OF APPROVAL OF A FRANCHISE AGREEMENT WITH COMCAST

City Manager Ken Larking noted for the past several months, the City has been working on renegotiating their franchise agreement with Comcast, an agreement that they feel meets the needs of the City of Danville. City Attorney Clarke Whitfield stated it is very similar to the last agreement the City had, and it protects some things the City is asking to protect.

Mr. Saunders questioned if there was anything Comcast can do to help the Danville School System, at no cost to the schools, and Nathan Dougherty, Government Affairs Officer for Comcast noted through the Franchise Agreement they offer courtesy video service to government buildings and that includes the schools. Outside of the franchise agreement there are several programs that benefit the Danville students including the Leaders and Achievers Scholarship program; it is a one time scholarship for high school seniors. They also offer a program, Internet Essentials, a broadband access program designed for those wouldn’t otherwise be able to get on line, to do so in a very economical way. This past summer, they also opened up eligibility to low income veterans. Comcast provides a $9.95 broadband product with a free router rental, free installation, no credit check, no contract. They have some visual literacy tools available and also the option to purchase a refurbished laptop or desktop computer for about $150. Comcast has been doing this program since about 2011, it is a nationwide program and have connected 1.5 million households.

CONSIDERATION OF APPROVAL OF AN AGREEMENT WITH COMCAST FOR EDUCATIONAL AND GOVERNMENT ACCESS CHANNELS

Mr. Larking noted Item A is the Franchise Agreement and Item B is the side agreement related to equipment and other items the City negotiated outside the Franchise Agreement with Comcast, as well as some upgrades.

Council agreed to put Items A and B on an upcoming business agenda.

CONSIDERATION OF APPROVAL OF A COST AND REVENUE SHARING AGREEMENT FOR THE STAUNTON RIVER RIFA

City Manager Ken Larking noted this was discussed several months ago, it is a Regional Industrial Facilities Authority in partnership with the northern part of Pittsylvania County in conjunction with a few towns.

Mr. Saunders noted he thinks when Council discussed this last year, he was out sick and missed that discussion. As Council talks about this and enters into any possible agreements, can Council consider the current agreement the City has and try to write it in such a way that in ten years, it remains what they said initially and not try to come back and change it because the State has a new law, the Federal government has a new law. Can the City get something solid whereby Danville is not losing money, and not having to pay more money for the same or less services.

Director of Economic Development, Telly Tucker noted one thing that is different about this RIFA, it is designed so that each locality gets to decide whether they want to participate in each project. One of the things staff was concerned about with a RIFA for the geographic area that is about 35 to 40 miles away, is that there might be some projects the City is more interested in and some they are less interested in. This RIFA arrangement is set up so that each project is evaluated on a project by project basis and there is a protocol to follow if the City of Danville, Pittsylvania County, Hurt or Altavista doesn't want to participate. One of the reasons they asked for that to be included is to address concerns they all have, a common sense of the value of a particular project and what that brings for the particular community as opposed the greater region.

Council had no further questions.

DISCUSSION ON PROVIDING FREE BUS SERVICES DURING THE NOVEMBER ELECTION

Mayor Jones noted when he was on the campaign trail, a citizen had asked if the City had ever considered this.

Vice Mayor Vogler noted he saw a few weeks ago that Richmond was doing something very similar; he reached out to the Mayor and asked the City Manager what would this look like. Mr. Vogler noted the headline states providing free bus services to polling places; that is not what he was suggesting. He was talking about the City's regular fixed route transportation service that is offered everyday, waiving the fee on election day; not a special service or different route. There has been some confusion about that. Mr. Vogler stated he thought it would be great and seems to be something the City can do fairly simply that will hopefully make it a little bit easier for the citizens to get to their polling location.

Director of Transportation Marc Adelman explained regarding service that needs to be provided, it needs to comparable and consistent across the board with Federal regulations. Whatever they do with fixed route service, the City has to provide comparable service for persons with disabilities on their paratransit operation, the Handivan service. Roanoke is doing the same thing, making it open to all throughout their operations, including their reservation based as well as the fixed route. Mr. Adelman noted the anticipated cost of lost revenue for the City will be approximately $1,200 to $1,300 but the City will receive more Federal funds. Federal Operating Assistance is based on the City's deficit; the higher the deficit, the more the City is eligible. As long as the City has a sufficient allocation, it can receive funds. If the passenger revenue is down, in this case, instead of a total loss of $1,300, it would be $650 because the City would be eligible for more Federal operating income. Mr. Larking stated for clarification, the fixed route service will not change its route that day, they will stay on their routes, and it will be free that day.

Mr. Shanks asked if all precincts are served and Mr. Adelman noted eleven of the sixteen are conveniently served; not all would be served. Mr. Shanks asked if reserve a ride would be a part of this and Mr. Adelman noted it would. Mr. Adelman noted the City is at maximum capacity on Reserve a Ride and would recommend that citizens interested in using the service, reserve as early as possible. Vice Mayor Vogler stated there would not be any questions from the bus drivers asking who citizens were voting for and Mr. Adelman noted that was correct.

Mr. Saunders asked after the citizen was taken to the voting precinct, will the bus wait for them to vote and Mr. Adelman noted they would not. They could schedule a return pick up time, for reserve a ride. Mr. Adelman explained their reservation based operations have a cap on reservations for persons who are not disabled. If they reach that number, 300 daily reservations, they inform the citizen to call back; if there is a cancellation they will be able to transport them. Mr. Saunders questioned for elderly and disabled citizens, the voting precinct staff will come to the car if they physically cannot go in; if someone on the bus needed that service, will the bus wait for them for someone to come out to vote. Mr. Adelman explained they could not do that.

Council Members agreed to put this on an upcoming agenda.

PROGRAM UPDATES

Mr. Larking noted they have been meeting with the Advisory Group for the multi-year financial planning, discussing initiatives that would help to make investments in the community, and make the City more sustainable with the revenue stream over time. The next step is breaking into small groups that tackle various areas, such as cost reduction, service modification, and program efficiency. Another group is related to employee benefits, and the last group is related to revenue. Those groups will be meeting separately in the next few weeks, and will come back together as a group and discuss what the priorities are.

ECONOMIC DEVELOPMENT UPDATE

Director of Economic Development Telly Tucker gave an update on Berry Hill as it relates to funding for projects that have been approved in the past by the Tobacco Commission. Mr. Tucker noted some of the active grants with the Virginia Tobacco Commission date back as early as 2011. At the time when Grant #2264 and #3011 were approved, it was the wish of the Board to wait until they got the permit for the park; they could spend the money before they appropriated the local match. Staff would like to put on the agenda, for November and December, the request for the budget appropriation for the match for Grants #2264 and #3011. The match for #2264, which pays for engineering right of way acquisition, connector road, electric and gas, is $500,000. Pittsylvania County has appropriated $500,000 to match the $2.7M grant RIFA received from the Tobacco Commission. Grant #3011 which was $2,241,567, approved in May of 2015, the City's match for that grant is $112,080; similarly, Pittsylvania County will also be providing $112,080. The total budget appropriation will be $612,080 to cover the match for those two grants.

Council agreed to put this on an upcoming agenda.

Mr. Tucker noted there will be a ribbon cutting for Dry Fork Fruit Distillery on October 19, 2018 at 3:30 p.m. at 534 Bridge Street and invited Council to attend.

COMMUNICATIONS

Mr. Larking noted they have received proposals from the top three proposers for a health clinic to serve the City employees; staff has not decided which proposal to go with yet as they are requesting further information. The main goal is to provide cost savings to the City of Danville and employees, convenience for employees and create a healthier work force. Mr. Larking stated two of the proposals would involve having an actual physical location that would serve employees and dependents. The third option would have it done virtually, through existing providers.

Dr. Miller noted next year is the census and at a lecture at VML, they indicated that each person that is missed can potentially cost a locality $1,800. It is to the benefit of the City to get everybody counted and believes the City should also publicize it.

Mr. Vogler questioned the status of the track and Mr. Larking noted the City has received a preliminary estimate of the cost which is higher than what had been discussed before, right now it is at $5M. Mr. Larking noted figures were thrown out without any information, but the change in price is related to site specific issues such as a major storm drain that goes through the property. Also, there are restrooms for athletes and visitors, and Mr. Vogler questioned why restrooms have to be built when there is a gym close by with restrooms. Mr. Larking noted this was preliminary and staff is still discussing it.

Mr. Saunders asked the City Manager about the bridge on Water Street that was discussed in the earlier meeting and Mayor Jones questioned if there was someone the City can reach out to. Mr. Whitfield explained the staff has been working with Norfolk Southern, VDOT, legislators and also reached out to the former Secretary of Transportation. It is a slow process; they have been working on it since the day after it happened and the City Engineer consistently contacts VDOT with regard to this, as well as Norfolk Southern.

CLOSED MEETING

At 9:17 p.m., Vice Mayor Vogler **moved** that this meeting of the City Council of Danville, Virginia be recessed and that Council immediately reconvene in a Closed Meeting for the following purposes: Discussion or consideration of the acquisition and/or disposition of real property for a public purpose where discussion in an open meeting would adversely impact the bargaining position of the City as permitted by Subsection (A)(3) of Section 2.2-3711 of the Code of Virginia, 1950, as amended and more specifically to consider both the acquisition of a specific parcel or parcels of real property as well as the disposition of a specific parcel or parcels or real property and to consider an Economic Development discussion and update concerning prospective business or industry where no previous announcement has been made and/or the expansion of an existing business or industry where no previous announcement has been made as permitted by Subsection (A)(5) of Section 2.2-3711 of the Code of Virginia, 1950 as amended, and more specifically to consider the location of a prospective new business or industry to the area and expansion of an existing business or industry.

The Motion was **seconded** by Council Member Saunders and carried by the following vote:

VOTE:	9-0
AYE:	Buckner, Campbell, Jones, Miller, Saunders, Shanks, Tomer, Vogler and Whittle (9)
NAY:	None

Upon unanimous vote at 10:00 p.m., Council reconvened in open session and Vice Mayor Vogler **moved** adoption of the following Resolution:

CERTIFICATE OF CLOSED MEETING

WHEREAS, the Council 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 2.1-344.1 of the Code of Virginia, 1950, as amended, requires a Certification by the Council that such Closed Meeting was conducted in conformity with Virginia Law;

NOW, THEREFORE, BE IT RESOLVED that the Council hereby certifies that, to the best of each Member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements of Virginia Law under Section 2.2-3711 were heard, discussed or considered, and (ii) only such public business matters as were identified in the Motion by which the Closed Meeting was convened were heard, discussed or considered by the Committee.

The Motion was **seconded** by Council Member Campbell and carried by the following vote:
VOTE: 9-0
AYE: Buckner, Campbell, Jones, Miller, Saunders,
Shanks, Tomer, Vogler and Whittle (9)
NAY: None

MEETING ADJOURNED AT 10:02 P.M.

____
MAYOR

____
CITY CLERK

DRAFT

Council Letter
City of Danville, Virginia

CL-2010 **Work Session Item #: A.**

Work Session Meeting

Meeting Date: 11/08/2018

Subject: Review of Employee and Retiree Benefit Changes for 2019

From: Sara Weller, Director of Human Resources

COUNCIL ACTION

Work Session: 11/08/2018

SUMMARY

Every year, the City's benefit package is reviewed in preparation for the upcoming plan year. OneDigital, the City's benefit advising firm, will present a summary of benefit and premium changes for the 2019 calendar year to Council at the November 8, 2018 Work Session.

BACKGROUND

The City's goal is to maintain a high quality benefit package that provides employees with options to select coverage best suiting their needs. Active employee and retiree benefits are reviewed annually to determine appropriate plan design changes and premium amounts for the next calendar year. OneDigital assists the City with these decisions by conducting a thorough analysis of each benefit plan and making recommendations. The financial impact benefit offerings have on the City's budget, active City and Constitutional employees, and retirees, are taken into consideration to the extent possible. Of all the benefits the City offers, the health insurance benefit requires the most attention due to evolving coverage requirements and persistent cost increases, which pose a continual challenge to the City's budget, as well as employee and retiree budgets.

The City administers a self-insured health plan for employees and retirees under which the actual claims for health care benefits and prescription coverage are paid. The City also purchases stop-loss insurance for protection in cases where the City's portion of an individual's insurance expenses exceed $175,000 (the stop-loss is changing in 2019 to $175,000 from the 2018 amount of $150,000). Currently, the City has three groups within its health insurance plan: Active Employees, Pre-65 Retirees, and Post-65 Retirees. For FY2018, the City spent approximately $7.2 million for its share of health insurance benefits. The City's benefit offerings are optional for both active employees and retirees. The City contributes to employee health insurance and term life insurance premiums. All other voluntary benefit premiums are employee paid.

The City partnered with OneDigital and Gateway Health to reduce the renewal cost and secure opportunities to control future health insurance expenses through changes in plan design, contribution strategy, pharmacy options, and stop-loss insurance for 2019. As a result, the City will not see an increase to the budget for 2019 health insurance costs. Depending on the health insurance plan an employee selects, he or she may see an increase in their premiums in 2019. The City continues to research opportunities to reduce future insurance costs, including the implementation of an onsite or nearsite health clinic in 2019 for members on the health insurance plan.

An overview of the City's benefit offerings, along with premium contributions for the 2019 calendar year, will be discussed at Work Session.

RECOMMENDATION

This item requires no action from City Council.

Attachments

No file(s) attached.

Council Letter
City of Danville, Virginia

CL-2013 **Work Session Item #: B.**

Work Session Meeting

Meeting Date: 11/08/2018

Subject: Lease Agreement with Norfolk Southern for Mass Transit Use

From: Marc Adelman, Director of Transportation Services

COUNCIL ACTION

Work Session Meeting: 11/08/2018

SUMMARY

The Norfolk Southern Railway Company has requested to update its recurring lease agreement with the City of Danville for property that is used by Danville Transit as a boarding area, which is located adjacent to West Main Street. The term of the lease agreement calls for it to continue on a recurring, periodic basis and can be terminated for any reason by giving the other party thirty days notice. The proposed lease agreement would supersede and cancel the original lease dated June 1, 1972 concerning the use of 9,200 square feet of property.

BACKGROUND

The Danville Transit System maintains a passenger boarding area on West Main Street near Edgewood Drive. A bus shelter and passenger benches are located at this site on property that is owned by the Norfolk Southern Railway Company. The City of Danville has leased this land from Norfolk Southern since 1972, which allows the transit system to use the bus shelter and other improvements located upon the premises. Recently, Norfolk Southern notified the City of Danville that a new proposed lease agreement, which is attached for review, would supersede and cancel the current lease agreement. Also, the company requests that the lease fee be increased from $100 per year to $300 per year effective June 1, 2019. City Council's approval is needed so the lease agreement can be executed by the City Manager.

RECOMMENDATION

It is recommended that City Council approve the attached Resolution authorizing execution of the attached lease agreement with the Norfolk Southern Railway Company.

Attachments

Resolution

Lease Agreement

Leased Premises Area

PRESENTED: ____________________

ADOPTED: ______________________

RESOLUTION NO. 2018-____.____

A RESOLUTION APPROVING AN AGREEMENT WITH NORFOLK SOUTHERN TO MAINTAIN THE USE OF A PASSENGER BOARDING AREA FOR THE DANVILLE TRANSIT SYSTEM.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Danville, Virginia, that the Lease Agreement, substantially in the form attached hereto and made a part hereof, between the City of Danville, Virginia and Norfolk Southern to support the use of a passenger boarding area on W. Main Street be, and the same is hereby, approved; and

BE IT FURTHER RESOLVED that the City Manager, Kenneth F. Larking, be, and he is hereby, authorized to execute said agreement on behalf of the City.

APPROVED:

____
MAYOR

ATTEST:

____
CLERK

Approved as to
Form and Legal Sufficiency:

____
City Attorney

Activity Number 1264118

LEASE AGREEMENT

THIS LEASE is made as of the _______ day of _____________, ________ by and between **NORFOLK SOUTHERN RAILWAY COMPANY** a Viriginia corporation (the **"Landlord"**) and **CITY OF DANVILLE, VIRGINIA**, a Virginia government entity (the **"Tenant"**).

1. Premises; Use. For and in consideration of the agreements set forth herein, to be paid, kept and performed by Tenant, Landlord hereby leases and rents to Tenant, insofar as its right, title and interest in the Premises enables it to do so, that certain real property located at Milepost **239.62** in **Danville, Danville (city), Virginia**, having an area of **0.81 acres**, more or less, the location and dimensions of which are substantially shown on print of Drawing No. **1264118** dated **9/5/2018**, hereunto annexed as **Exhibit "A"** attached hereto (the **"Land"**), together with all improvements thereon (the **"Improvements"**). The Land and the Improvements are collectively referred to herein as the **"Premises"**. This Lease is subject to all encumbrances, easements, conditions, covenants and restrictions, whether or not of record.

The Premises shall be used for the purpose of **maintaining a tenant owned enclosure associated with bus stop/turnaround and beautification** and no other purpose. The Premises shall not be used for any illegal purposes, for the storage of unlicensed vehicles, nor in any manner to create any nuisance or trespass. No smoking is permitted in or about the Premises. Landlord reserves unto itself and its permittees, the permanent right to construct, maintain or replace upon, under, or over the Premises, any pipe, electrical, telecommunications, and signal lines, or any other facilities of like character now installed or hereinafter to be installed. Landlord further reserves unto itself and its permittees the right to enter upon the Premises at any and all times for the purposes of operating, maintaining, constructing or relocating any trackage or railroad facilities located on, or in the vicinity of, the Premises.

The terms and conditions of the Rider, if any, attached hereto as **Exhibit "B"** are incorporated herein by this reference. In the event of an inconsistency between the terms hereof and the terms of the Rider, the terms of the Rider shall prevail.

2. Term. To have and to hold for a term beginning on **June 1, 2019,** and continuing thereafter on a periodic basis. In addition to any termination rights that the parties may have hereunder, either party may terminate this Lease for any reason by giving the other party not less than **thirty (30)** days' notice of such termination. Any such termination pursuant to the preceding sentence shall not relieve Tenant from satisfying and performing all of its obligations hereunder (including, but not limited to, the payment of rental) through the date of such termination and shall not relieve either party from performing any obligation that, pursuant to the terms of the Lease, survives the termination of the Lease.

3. Base Rental. Commencing on **June 1, 2019** (the **"Rental Commencement Date"**) and thereafter on each anniversary thereof during the term of this Lease, Tenant shall pay to Landlord, without offset, abatement or demand, initial base rental of **THREE HUNDRED AND NO/00 DOLLARS ($300.00).** The amount of the base rental shall be increased (and not decreased) on an annual basis by the percentage of increase, if any, in the United States, Bureau of Labor Statistics Consumer Price Index for All Urban Consumers (CPI-U)(1982-1984 = 100) U.S. City Average, All Items (the **"Index"**) as set forth below. If the Index has changed so that the base year differs from that used in this Paragraph, the Index shall be converted in accordance with the conversion factor published by the United States Department of Labor, Bureau of Labor Statistics, to the 1982-84 base. If the Index is discontinued or revised during the term of this Lease, such other government index or computation with which it is replaced shall be used in order to obtain substantially the same result as would be obtained if the Index had not been discontinued or revised.

The **"Adjustment Date"** shall mean the first anniversary of the Rental Commencement Date and each anniversary thereof during the term of this Lease. The Index published nearest to the Rental Commencement Date shall be the **"Base Index"**. The Index published nearest to the date three (3) months prior to the then current Adjustment Date shall be the **"Adjustment Index"**. On each Adjustment Date, the base rental shall be adjusted by multiplying the base rental payable under this Lease at the Rental Commencement Date by a fraction, the numerator of which fraction is the applicable Adjustment Index and the denominator of which fraction is the Base Index. The amount so determined shall be the base rental payable under the Lease beginning on the applicable Adjustment Date and until the next Adjustment Date (if any).

Base rental shall be due in advance. Except in the event of default, base rental for any partial rental periods shall be prorated. The acceptance by Landlord of base rental shall not constitute a waiver of any of Landlord's rights or remedies under this Lease. All payments of base rental, and any additional rental payable hereunder, shall be sent to the Treasurer of Landlord at Mail Code 5629, P.O. Box 105046, Atlanta, Georgia 30348-5046, or such other address as Landlord may designate in any invoice delivered to Tenant. Prior to or simultaneously with Tenant's execution of this Lease, Tenant has paid to Landlord (a) a non-refundable, application fee in the amount of $500.00, and (b) the first installment of base rental due hereunder. In the event Tenant fails to pay base rental or any other payment called for under this Lease on or before the due date, Tenant shall pay a late charge equal to five percent (5%) of the unpaid amount. In addition, any sum not paid within thirty (30) days of its due date shall accrue interest thereafter until paid at the rate per annum equal to the lesser of (a) the highest interest rate permitted by applicable law; or (b) eighteen percent (18%).

4. Taxes. See rider.

5. Utilities. Landlord shall have no obligation to provide light, water, heat, air conditioning or any other utilities or services to the Premises. Tenant shall place any and all utility and service related bills in its name and shall timely pay the same, along with all assessments or other governmental fees or charges pertaining to the Premises, including without limitation those related to stormwater. If Tenant does not pay same, Landlord may (but shall not be obligated to) pay the same, including any and all late fees and penalties, and such payment shall be added to and treated as additional rental of the Premises.

6. Maintenance and Repairs. Tenant, at its sole cost, shall keep and maintain all of the Premises (including, but not limited to, all structural and non-structural components thereof and all systems) in good order and repair (including replacements) and shall keep the Premises free of pests and rodents. Tenant hereby waives (a) any rights at law or in equity to require Landlord to perform any repair, replacement or maintenance to the Premises, and (b) any right to abate rental or terminate this Lease due to the failure by Landlord to perform any repairs, replacements or maintenance. Tenant shall not create any lien, charge or encumbrance upon the Premises, and Tenant shall promptly remove or bond over any such lien, charge or encumbrance.

7. Modifications and Alterations to the Premises. Tenant shall make no modifications, alterations or improvements to the Premises without the prior written consent of Landlord, which consent may be withheld in Landlord's sole and absolute discretion. Any modifications or alterations consented to by Landlord shall be completed in a good, workmanlike and lien-free manner, in accordance with all applicable laws, codes, regulations and ordinances and by contractors approved by Landlord. Tenant may remove any moveable equipment or trade fixtures owned by Tenant during the term of this Lease, provided that any damage caused by such removal shall be repaired by Tenant in a manner acceptable to Landlord.

8. Return of Premises. At the expiration or prior termination of this Lease, Tenant shall remove all of its moveable equipment and trade fixtures and repair any or all alterations made to the Premises. Upon Landlord's request, Tenant shall promptly and with due care remove any or all of the improvements located on the Premises. Tenant shall immediately repair, in a manner acceptable to Landlord, any damage arising out of any such removal or repair. Tenant shall also return the Premises, including the subsurface, in as good order and condition as said Premises may have been prior to the use and occupation thereof by Tenant, normal wear and tear excepted, and free from holes, obstructions, debris, wastes, or contamination of any kind. Tenant agrees that any improvements not removed from the Premises that are owned by Tenant may be deemed the property of Landlord at Landlord's option. Failure to comply with this Paragraph 8 will constitute holding over by Tenant.

If Tenant fails to restore the Premises, including removal of the improvements, as provided herein prior to the date Tenant is required to vacate the Premises or as otherwise requested by Landlord, then Landlord may, at Landlord's option, but at the sole cost and expense of Tenant, remove or arrange to remove all such property, improvements, obstructions, debris, waste, and contamination, and restore or arrange to restore both the surface and the subsurface of the Premises to as good order and condition as said Premises may have been prior to the use and occupation thereof by Tenant. Promptly upon bill rendered by Landlord, Tenant shall pay to Landlord the total cost of such removal and restoration, including, but not limited to, the cost of cleaning up and removing any contaminated soil or water.

9. Destruction of or Damage to Premises. If all or substantially all of the Premises are destroyed by storm, fire, lightning, earthquake or other casualty, this Lease shall terminate as of the date of such destruction, and rental shall be accounted for as between Landlord and Tenant as of that date. In the event of such termination, rental shall be prorated and paid up to the date of such casualty. In no event shall Tenant have any right to terminate this Lease if the casualty in question was caused or contributed to by Tenant, its agents, employees, contractors or invitees.

10. Indemnity. Except for damage caused solely by Landlord's negligence, Tenant agrees to indemnify, defend and save harmless Landlord, Landlord's parent companies, subsidiaries, affiliates, lessors, licensors, and subsidiaries of parent companies (collectively the **"Landlord Related Entities"**) and Landlord's and Landlord's Related Entities' officers, directors, members, shareholders, lenders, agents and employees (collectively the **"Landlord Entities"**) against all claims (including but not limited to claims for bodily injury, death or property damage), economic losses, liabilities, costs, injuries, damages, actions, mechanic's liens, losses and expenses (including but not limited to reasonable attorney's fees and costs) to whomsoever, including, but not limited to, Tenant's agents, workmen, servants or employees, or whatsoever occurring (collectively, **"Claims"**) arising out of or relating to Tenant's use or occupancy of the Premises. To the fullest extent permitted by applicable laws, Tenant hereby waives and releases the Landlord Entities from any Claims (including but not limited to Claims relating to interruptions in services) arising out of or relating in any way to the Tenant's use or occupancy of the Premises.

11. Governmental Orders. Tenant agrees, at its own expense, to comply with all laws, orders, regulations, ordinances or restrictions applicable by reason of Tenant's use or occupancy of the Premises or operation of its business.

12. Condemnation. If the Premises or such portion thereof as will make the Premises unusable for the purpose herein leased shall be condemned by any legally constituted authority for any public use or purpose, or sold under threat of condemnation, then this Lease shall terminate as of the date of such condemnation or sale, and rental shall be accounted for between Landlord and Tenant as of such date. All condemnation awards shall belong to Landlord; provided, however, and to the extent permitted under applicable law, Tenant shall be entitled to file a separate claim against the condemning authority for loss of its personal property and moving expenses so long as the filing of such claim does not affect or reduce Landlord's claim as to such awards or proceeds.

13. Assignment. Tenant may not assign this Lease or any interest thereunder or sublet the Premises in whole or in part or allow all or a portion of the Premises to be used by a third party without the prior written consent of Landlord. If Tenant is a corporation, partnership, limited liability company or other entity, the transfer of more than fifty percent (50%) of the ownership interests of Tenant or the transfer of a lesser percentage which results in a transfer of control of Tenant (WHICH INCLUDES, WITHOUT LIMITATION, TRANSACTIONS IN WHICH TENANT SELLS ITS BUSINESS, SELLS ALL OR SUBSTANTIALLY ALL OF THE ASSETS OF ITS BUSINESS OR MERGES OR CONSOLIDATES WITH ANOTHER ENTITY), whether in one transaction or a series of related transactions, shall constitute an assignment for purposes of this Lease. All requests for an assignment or sublease shall be accompanied by a copy of the proposed assignment or sublease agreement and an administrative fee in the amount of $750.00. Any assignee shall become liable directly to Landlord for all obligations of Tenant hereunder. No such assignment or sublease nor any subsequent amendment of the Lease shall release Tenant or any guarantor of Tenant's obligations hereunder. If any such subtenant or assignee pays rental in excess of the rental due hereunder or if Tenant receives any other consideration on account of any such assignment or sublease, Tenant shall pay to Landlord, as additional rent, one-half of such excess rental or other consideration upon the receipt thereof. Any assignment or sublease made in violation of this Paragraph 13 shall be void and shall constitute a default hereunder.

14. Environmental. Tenant covenants that neither Tenant, nor any of its agents, employees, contractors or invitees shall cause or permit any aboveground or underground storage tanks or associated piping (collectively "**Tanks**") to be located on or under the Premises or any Hazardous Materials (as hereinafter defined) to be stored, handled, treated, released or brought upon or disposed of on the Premises. Tenant shall comply, at its own expense, with any and all applicable laws, ordinances, rules, regulations and requirements respecting solid waste, hazardous waste, air, water, pollution or otherwise relating to the environment or health and safety (collectively "**Environmental Laws**"). Tenant shall not under any circumstance dispose of trash, debris or wastes on the Premises and will not conduct any activities on the Premises which require a hazardous waste treatment, storage or disposal permit. As used herein, the term "**Hazardous Materials**" means asbestos, polychlorinated biphenyls, oil, gasoline or other petroleum based liquids, and any and all other materials or substances deemed hazardous or toxic or regulated by applicable laws, including but not limited to substances defined as hazardous under the Comprehensive Environmental Response, Compensation and Liability Act, as amended, 42 U.S.C. §9601 <u>et seq</u>., or the Resource Conservation and Recovery Act, as amended, 42 U.S.C. 6901 <u>et</u> <u>seq</u>. (or any state counterpart to the foregoing statutes) or determined to present the unreasonable risk of injury to health or the environment under the Toxic Substances Control Act, as amended, 15 U.S.C. 2601 <u>et</u> <u>seq</u>. Tenant shall indemnify, defend and hold the Landlord Entities harmless from and against any and all claims, judgments, damages, penalties, fines, costs (including without limitation, consultant's fees, experts' fees, attorney's fees, investigation and cleanup costs and courts costs), liabilities or losses resulting from (1) the storage, handling, treatment, release, disposal, presence or use of Hazardous Materials in, on or about the Premises from and after the date of this Lease or (2) the violation by Tenant of any provision of any Environmental Laws. Without limiting the generality of the foregoing indemnity, in the event Landlord has reason to believe that the covenants set forth in this Paragraph 14 have been violated by Tenant, Landlord shall be entitled, at Tenant's sole expense, to take such actions as Landlord deems necessary in order to assess, contain, delineate and/or remediate any condition created by such violation. Any sums expended by Landlord shall be reimbursed by Tenant, as additional rental, within thirty (30) days after demand therefor by Landlord. Landlord has the right to enter the Premises at all reasonable times for purposes of inspecting the Premises in order to evaluate Tenant's compliance with the covenants of this Paragraph 14. In the event Tenant delivers or receives any notices or materials from any governmental or quasi-governmental entity and such notices or materials relate to Tanks or Hazardous Materials in, on or about the Premises, Tenant shall immediately send to Landlord a copy of such notices or materials. Tenant shall also provide Landlord with a detailed report relating to any release of a Hazardous Material in, on or about the Premises whenever such release is required to be reported to governmental authorities pursuant to the Environmental Laws. Upon the expiration or earlier termination of this Lease, Landlord shall have the right to cause to be performed such environmental studies of the Premises by an environmental consultant as are necessary to determine whether any Hazardous Materials have been stored, handled, treated, released, brought upon or disposed of on the Premises during the term of this Lease in violation of the terms hereof. If any such study reveals any violation of this Lease, Tenant shall promptly reimburse Landlord for the costs of such studies and Tenant shall immediately undertake a further investigation, if necessary, and remediation of such contamination. Landlord may undertake such investigation and remediation if Tenant fails to do so within a reasonable time frame, in which case Tenant shall promptly reimburse Landlord for the cost of same within thirty (30) days after demand therefore by Landlord. The obligations of this Paragraph 13 shall survive the expiration or earlier termination of this Lease**.**

15. Default; Remedies. In the event (i) any payment of rental or other sum due hereunder is not paid within ten (10) days after the due date thereof; (ii) the Premises shall be deserted or vacated; (iii) Tenant shall fail to comply with any term, provision, condition or covenant of this Lease, other than an obligation requiring the payment of rental or other sums hereunder, and shall not cure such failure within twenty (20) days after notice to the Tenant of such failure to comply; (iv) Tenant shall attempt to violate or violate Paragraph 13 above; or (v) Tenant or any guarantor shall file a petition under any applicable federal or state bankruptcy or insolvency law or have any involuntary petition filed thereunder against it, then Landlord, in addition to any remedy available at law or in equity, shall have the option to do any one or more of the following:

(a) Terminate this Lease, in which event Tenant shall immediately surrender the Premises to Landlord. Tenant agrees to indemnify the Landlord Entities for all loss, damage and expense which Landlord may suffer by reason of such termination.

(b) Without terminating this Lease, terminate Tenant's right of possession, whereupon rental shall continue to accrue and be owed by Tenant hereunder. Thereafter, at Landlord's option, Landlord may enter upon and relet all or a portion of the Premises (or relet the Premises together with any additional space) for a term longer or shorter than the remaining term hereunder and otherwise on terms satisfactory to Landlord. Tenant shall be liable to Landlord for the deficiency, if any, between Tenant's rental hereunder and all net sums received by Landlord on account of such reletting (after deducting all costs incurred by Landlord in connection with any such reletting, including without limitation, tenant improvement costs, brokerage commissions and attorney's fees).

(c) Pursue a dispossessory, eviction or other similar action against Tenant, in which event Tenant shall remain liable for all amounts owed hereunder, including amounts accruing hereunder from and after the date that a writ of possession is issued.

(d) Perform any unperformed obligation of Tenant, including, but not limited to, cleaning up any trash, debris or property remaining in or about the Premises upon the expiration or earlier termination of this Lease. Any sums expended by Landlord shall be repaid by Tenant, as additional rent, within ten (10) days after demand therefor by Landlord.

Pursuit of any of the foregoing remedies shall not preclude pursuit of any other remedies available at law or in equity. Tenant agrees to pay all costs and expenses, including, but not limited to, reasonable attorney's fees and consultant's fees, incurred by Landlord in connection with enforcing the performance of any of the provisions of this Lease, whether suit is actually filed or not. Acceptance of rental or any other sums paid by Tenant shall not constitute the waiver by Landlord of any of the terms of this Lease or any default by Tenant hereunder. Landlord shall not be required to mitigate damages, and the parties intend to waive any burden that applicable law may impose on Landlord to mitigate damages; provided, however, if applicable law nevertheless requires Landlord to mitigate damages then (i) Landlord shall have no obligation to treat preferentially the Premises compared to other premises Landlord has available for leasing; (ii) Landlord shall not be obligated to expend any efforts or any monies beyond those Landlord would expend in the ordinary course of leasing space; and (iii) in evaluating a prospective reletting of the Premises, the term, rental, use and the reputation, experience and financial standing of prospective tenants are factors which Landlord may properly consider.

16. Signs; Entry by Landlord. Landlord may place "For Lease" signs upon the Premises one hundred twenty (120) days before the termination of this Lease and may place "For Sale" signs upon the Premises at any time. Landlord may enter the Premises with prior notice to Tenant at reasonable hours during the term of this Lease (a) to show the same to prospective purchasers or tenants, (b) to make repairs to Landlord's adjoining property, if any, (c) to inspect the Premises in order to evaluate Tenant's compliance with the covenants set forth in this Lease, or (d) to perform activities otherwise permitted or contemplated hereby.

17. No Estate in Land. This Lease shall create the relationship of landlord and tenant between Landlord and Tenant; Tenant's interest is not assignable by Tenant except as provided in Paragraph 13, above.

18. Holding Over. If Tenant remains in possession of the Premises after expiration of the term hereof with Landlord's written consent, Tenant shall be a month-to-month tenant upon all the same terms and conditions as contained in this Lease, except that the base rental shall become two times the then current base rental, and there shall be no renewal of this Lease by operation of law. Such month-to-month tenancy shall be terminable upon thirty (30) days written notice by either party to the other. Tenant waives any right that it may have to additional notice pursuant to applicable law. If Tenant remains in possession of the Premises after the expiration of the term hereof without Landlord's written consent, Tenant shall be a tenant at sufferance subject to immediate eviction. In such event, in addition to paying Landlord any damages resulting from such holdover, Tenant shall pay base rental at the rate of three times the then current base rental. In such circumstance, acceptance of base rental by Landlord shall not constitute consent or agreement by Landlord to Tenant's holding over and shall not waive Landlord's right to evict Tenant immediately.

19. Notices. Any notice given pursuant to this Lease shall be in writing and sent by certified mail, return receipt requested, by hand delivery or by reputable overnight courier to:

(a) Landlord: c/o Director Real Estate, Norfolk Southern Corporation, 1200 Peachtree Street, NE – 12th Floor, Atlanta, Georgia 30309-3579, or at such other address as Landlord may designate in writing to Tenant.

(b) Tenant: Director of Transportation, City Of Danville, Virginia, 424 Airport Drive, Danville, Virginia 24540, or at such other address as Tenant may designate in writing to Landlord.

Any notice sent in the manner set forth above shall be deemed delivered three (3) days after said notice is deposited in the mail if sent by certified mail (return receipt requested), or upon receipt if sent by hand delivery or reputable overnight courier. Any change of notice address by either party shall be delivered to the other party by the manner of notice required hereby.

20. Track Clearance. Notwithstanding anything contained in this Lease, and irrespective of the sole, joint, or concurring negligence of Landlord, Tenant shall assume sole responsibility for and shall indemnify, save harmless and defend the Landlord Entities from and against all claims, actions or legal proceedings arising, in whole or in part, from the conduct of Tenant's operations, or the placement of Tenant's fixtures, equipment or other property, within twenty-five feet (25') of Landlord's tracks, if any, located on or adjacent to the Premises. In this connection it is specifically understood that knowledge on the part of Landlord of a violation of the foregoing clearance requirement, whether such knowledge is actual or implied, shall not constitute a waiver and shall not relieve Tenant of its obligations to indemnify the Landlord Entities for losses and claims resulting from any such violation.

21. Brokerage. Landlord and Tenant hereby covenant and agree to indemnify and hold the other harmless from and against any and all loss, liability, damage, claim, judgment, cost and expense (including without limitation attorney's fees and litigation costs) that may be incurred or suffered by the other because of any claim for any fee, commission or similar compensation with respect to this Lease, made by any broker, agent or finder claiming by, through or under the indemnifying party, whether or not such claim is valid.

22. Tenant's Insurance. Tenant shall procure and maintain, at all times and at its expense, in a form and with an insurance company acceptable to Landlord, Commercial General Liability Insurance for the Premises. Such coverage shall (a) have a single limit of not less than $2,000,000.00 for each occurrence (or such greater amount over time so as to be commercially reasonable) and shall provide for a deductible of not more than $5,000.00, (b) cover Tenant's contractual liability hereunder, (c) cover Tenant and Landlord for liability arising out of work performed by any third parties for Tenant in or about the Premises, (d) name the Landlord Entities as additional insureds, and (e) be considered primary and noncontributory, regardless of any insurance carried by Landlord. Any property insurance maintained by Tenant on its furniture, fixtures, equipment and personal property shall include a waiver of subrogation in favor of Landlord. Tenant shall deliver certificates of insurance evidencing the insurance required hereinabove to Landlord simultaneously with the execution of this Lease by Tenant, which certificates shall reflect that the policies shall not be canceled without at least thirty (30) days prior notice to Landlord. If Tenant fails to obtain the necessary coverages, Landlord may do so at Tenant's expense and the same shall constitute additional rental. All insurance certificates should be delivered to Landlord's Risk Management Department, Three Commercial Place, Norfolk, Virginia 23510, simultaneously with the execution of this Lease by Tenant. The minimum limits of insurance provided for hereunder are not intended to be a limitation on the liability of Tenant hereunder and shall not waive Landlord's right to seek a full recovery from Tenant.

23. Rent Increase Notice. In addition to the rights set forth in Article 15 above, but no sooner than one (1) year after the date of this Lease, Landlord shall have the right, from time to time, to send Tenant a rent increase notice in a form substantially similar to that attached hereto as Exhibit "C" and made a part hereof. If Tenant either agrees to such rent increase or elects to remain on the Premises beyond the stated termination date in the rent increase notice, then such increase shall take effect in the manner prescribed in Tenant's rent increase notice without the need for any further documentation.

24. Joint and Several. If Tenant comprises more than one person, corporation, partnership or other entity, the liability hereunder of all such persons, corporations, partnerships or other entities shall be joint and several.

25. No Warranties; Entire Agreement. TENANT ACCEPTS THE PREMISES "AS IS" WITHOUT WARRANTY OF ANY KIND, WHETHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF QUIET ENJOYMENT, THE IMPLIED WARRANTIES OF MERCHANTABILITY, HABITABILITY, OR FITNESS FOR A PARTICULAR PURPOSE OR ANY OTHER IMPLIED WARRANTIES. LANDLORD SHALL NOT BE LIABLE FOR, AND TENANT HEREBY RELEASES LANDLORD FROM ALL CLAIMS FOR ECONOMIC LOSSES AND ALL OTHER DAMAGE OF ANY NATURE WHATSOEVER ACCRUING TO TENANT, INCLUDING, BUT NOT LIMITED TO THE VALUE OF ANY BUILDINGS, STRUCTURES OR IMPROVEMENTS OF TENANT UPON THE PREMISES, RESULTING FROM OR ARISING BY REASON OF ANY DEFICIENCY, INSUFFICIENCY OR FAILURE OF TITLE OF LANDLORD. THIS LEASE CONTAINS THE ENTIRE AGREEMENT OF THE PARTIES HERETO AS TO THE PREMISES, AND NO REPRESENTATIONS, INDUCEMENTS, PROMISES OR AGREEMENTS, ORAL OR OTHERWISE, BETWEEN THE PARTIES, NOT EMBODIED HEREIN, SHALL BE OF ANY FORCE OR EFFECT.

26. Survival. The provisions of Paragraphs 7, 8, 10, 14, 18 and 21 shall survive the expiration or earlier termination of this Lease.

27. Miscellaneous. Knowledge on the part of Landlord or any employee, agent or representative of Landlord of any violation of any of the terms of this Lease by Tenant shall constitute neither negligence nor consent on the part of Landlord, and shall in no event relieve Tenant of any of the responsibilities and obligations assumed by Tenant in this Lease. All rights, powers and privileges conferred hereunder upon the parties hereto shall be cumulative but not restrictive to those given by law. No failure of Landlord to exercise any power given Landlord hereunder, or to insist upon strict compliance by Tenant with its obligations hereunder, and no custom or practice of the parties at variance with the terms hereof shall constitute a waiver of Landlord's right to demand exact compliance with the terms hereof. Subject to the terms of Paragraph 13 above, this Lease shall be binding upon and shall inure to the benefit of the respective successors and permitted assigns of Landlord and Tenant. If any term, covenant or condition of this Lease or the application thereof to any person, entity or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term, covenant or condition to persons, entities or circumstances other than those which or to which used may be held invalid or unenforceable, shall not be affected thereby, and each term, covenant or condition of this Lease shall be valid and enforceable to the fullest extent permitted by law. Time is of the essence in this Lease. Neither party shall be bound hereunder until such time as both parties have signed this Lease. This Lease shall be governed by the laws of the State or Commonwealth in which the Premises are located.

28. Signature. The parties agree that if an authorized officer of a party fully signs this Agreement in the appropriate location(s) below and then returns that signature to the other party via electronic means with a pdf or similar scanned copy of that signature, then that scanned signature shall serve as that party's signature for the Agreement, and, upon full execution of the Agreement by all parties, shall create a legally binding Agreement.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals, effective the day and year first above written.

Witness: As to Landlord

LANDLORD:

NORFOLK SOUTHERN RAILWAY COMPANY
a Viriginia corporation

____
Signature
Name:_________________________

By:___________________________
Name:_________________________
Title: _________________________

Witness: As to Landlord

Date of Landlord Signature:_________

____
Signature
Name:_________________________

[SEAL]

Witness: As to Tenant

TENANT:

CITY OF DANVILLE, VIRGINIA
a Virginia government entity

____
Signature
Name:_________________________

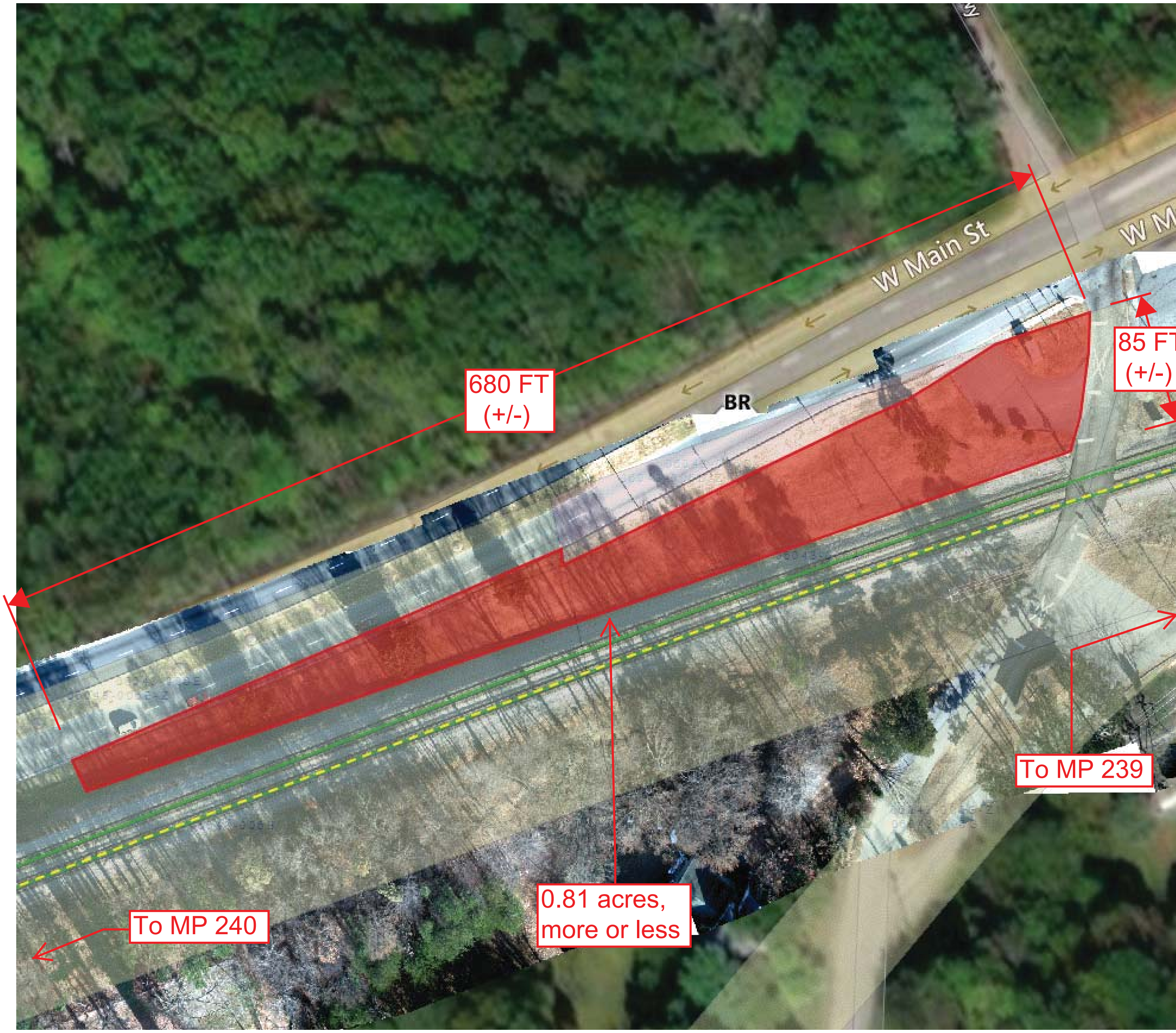
By:___________________________
Name:_________________________
Title:__________________________

Witness: As to Tenant

Date of Tenant Signature:___________

____
Signature
Name:_________________________

[SEAL]



NORFOLK SOUTHERN RAILWAY COMPANY Real Estate Department			
Landlord:	Norfolk southern railway Company Lat: 36.565391; Long: -79.440797		
Location:	Danville (city), Virginia		
Tenant:	City of Danville, Virginia		
Area:	0.81 Acres (+/-)		
Maps:	Val Sec. 3, Map No. 21AS, Par 6A	**Milepost:**	239.62
Activity No:	1264118	**Exhibit A**	
Date:	9/5/2018	**Not To Scale**	

NORFOLK SOUTHERN

EXHIBIT B

RIDER TO LEASE AGREEMENT BY AND BETWEEN THE NORFOLK SOUTHERN RAILWAY COMPANY, AS LANDLORD, AND CITY OF DANVILLE, VIRGINIA, AS TENANT

This rider is attached to and made a part of the referenced Lease Agreement. In the event of an inconsistency between the terms of this Rider and the terms of the Lease agreement, the terms of this Rider shall control.

1. Supersede and Cancel. This Lease hereby supersedes and cancels, as of the effective date hereof, the Lease dated June 1, 1972, as amended, between *SOUTHERN RAILWAY COMPANY* (Company) and *CITY OF DANVILLE, VIRGINIA* (Assignee) concerning the use of 9,200 square feet of property, more or less, at Danville (city), Virginia. (Custodian No. 150356; Billing ID: 109958/ 1992)

Notwithstanding said superseding and cancelling of said agreement, Landlord reserves and retains any and all rights with regard to any liabilities that have accrued under the terms of said agreement prior to the Effective date of this Agreement.

2. Tenant-Owned Improvements. Tenant shall have the right to use and maintain the existing Tenant-Owned glass and metal bus stop enclosure, associated concrete pad, trash recepticles and signage (the "Tenant-Owned Improvements") located upon the Premises. Said Tenant-Owned Improvements shall not become fixtures upon the realty, but shall remain the property of Tenant and shall be removed from the Premises upon termination or expiration of the Lease.

3. Waiver of Application Fee. The $500.00 application fee described in paragraph 3 of this Lease is hereby waived by Landlord.

4. Landlord Pays Taxes. Landlord shall pay all real estate taxes and assessments (regular or special) pertaining to the Premises on or before the date the same become delinquent. Notwithstanding the foregoing, Tenant shall be responsible for any taxes or assessments imposed upon or assessed against Tenant's personal property, and Tenant shall pay and be liable for all rental, sales and use taxes, and other similar taxes, if any, levied or imposed by any city, state, county or other governmental authority (including any rental tax). Such payments shall be paid concurrently with the payment of base rental or other sum due hereunder upon which the tax is based. If Landlord pays any taxes or assessments which are Tenants responsibility under this Paragraph, Tenant shall reimburse Landlord within ten (10) days after Tenant's receipt of paid invoices for such taxes and assessments.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

EXHIBIT C

SAMPLE LETTER

Date
Activity Number

UPS GROUND
Mr. John Q. Tenant
XYZ Company
12345 Main Street
Anytown, State USA

RE: Anytown, County, State – Lease dated ________________ between Norfolk Southern Railway Company ("Landlord") and XYZ Company ("Tenant") covering real property.

Dear Mr. Tenant:

Norfolk Southern Corporation is currently conducting a review of property value and rent structure for all real estate leases for its subsidiaries (including Landlord). Review of the captioned Lease indicates the current rent is below market value. While we endeavor to keep the rent reasonable, it has become necessary to make some adjustments. Therefore, we find it necessary to amend the Lease as follows:

1. The current rent will be increased from $______ to $______, effective "date in the future" ("the Commencement Date"), payable in advance, as provided in the Lease.

2. Hereafter, on each anniversary of the Commencement Date, the rent will be changed by the same percentage change as reflected in the "Consumer Price Index for All Urban Consumers (CPI_U) (1982-1984=100) U. S. City Average, All Items: compiled by the Bureau of Labor Statistics of the United States Department of Labor (the "Index"). In no event, however, will the adjusted rent be less than the rent of the immediately preceding year.

All other terms and conditions of the Lease will remain unchanged and in full force and effect.

Landlord will regard your remaining on the property after the above Commencement Date as your acknowledgment and acceptance of the rental increase and agreement that the Lease is amended.

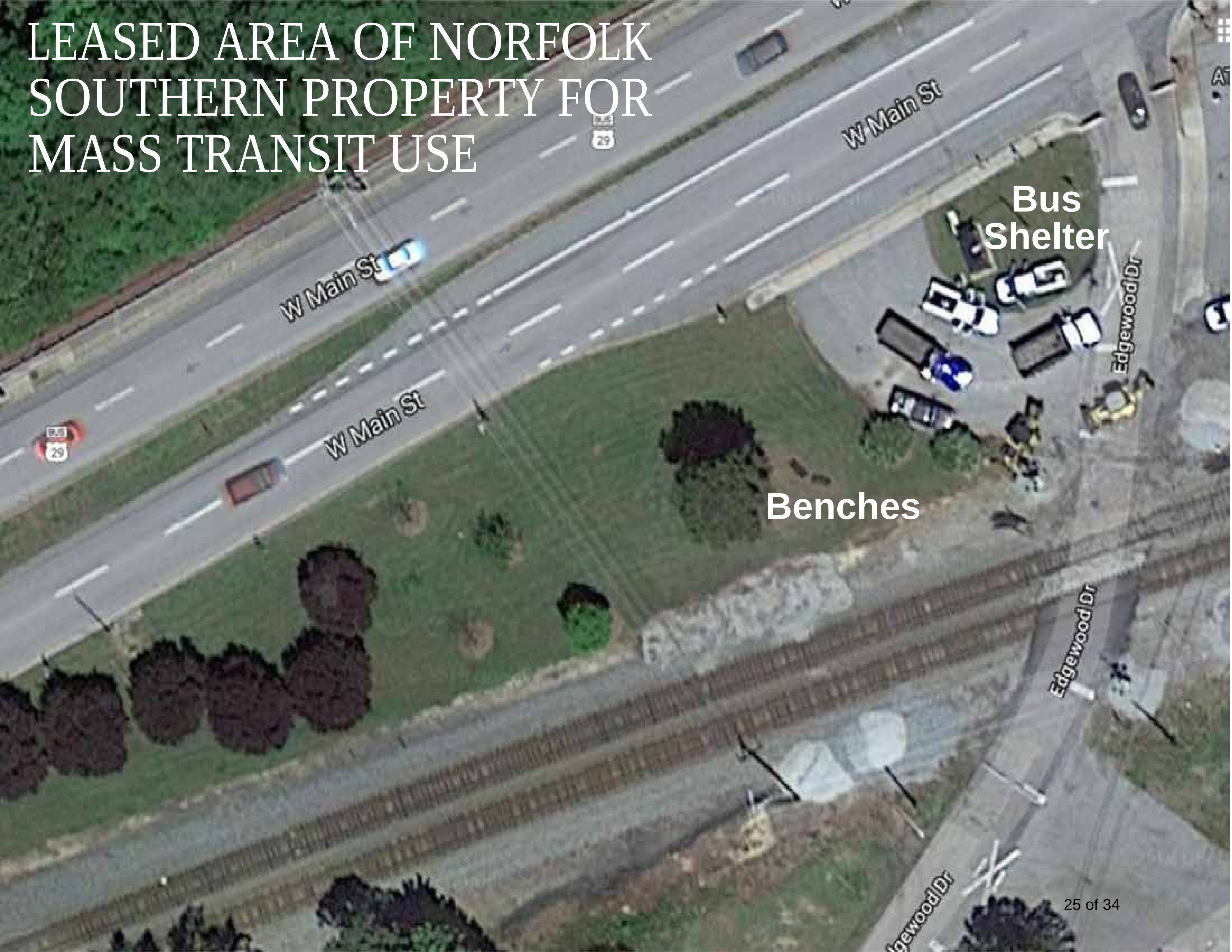
If you have any questions or no longer with to lease this property, please provide written notice to this office within thirty (30) days from the date of this letter. If termination is necessary, Tenant will be required to vacate, remove any Tenant-owned improvements from the property, and otherwise act in accordance with the Lease.

We appreciate having you as a Tenant and hope you will continue to lease this property.

Sincerely,

/s/
John Q. Agent

LEASED AREA OF NORFOLK SOUTHERN PROPERTY FOR MASS TRANSIT USE



Council Letter
City of Danville, Virginia

CL-2012 **Work Session Item #: C.**

Work Session Meeting

Meeting Date: 11/08/2018

Subject: Request for Easement from the City of Danville Across PIN #60207 to Access Adjacent Property.

From: Kenneth C. Gillie, Jr., Community Development Director

COUNCIL ACTION

Work Session Meeting: 11/08/2018

SUMMARY

The City of Danville has received a request for an easement to be granted on Parcel ID #60207, to allow for access to adjacent property. The adjacent property does have frontage on unopened street rights-of-way, but access to the parcel via these routes would be cost prohibitive. The City is proposing an easement, with conditions, to protect the public interest.

BACKGROUND

Edgar Love, et al., owns Parcel #60397, which is located between the Southwyck Farms and Grove Park Subdivisions. The parcel has frontage on the unopened portions of Chadwyck Drive, New Hope Way and Frederick Street. Access through these unopened streets would be difficult due to topography, without the construction of bridges. The Love's are requesting an easement across City Parcel #60207 to allow for this property to be sold and timbered. Plans are for the parcel to be replanted in forest land afterward.

RECOMMENDATION

It is recommended that City Council authorize the City Manager to sign the attached Deed of Easement allowing access to Parcel #60207, subject to conditions.

Attachments

Resolution

Easement Document

Easement Map

PRESENTED: ____________________

ADOPTED: ______________________

RESOLUTION NO. 2018-____.____

A RESOLUTION AUTHORIZING THE CITY MANAGER TO CONVEY AN EASEMENT ACROSS SPECIFIC CITY PROPERTY TO ALLOW ACCESS TO AN ADJACENT LANDLOCKED PARCEL.

WHEREAS, the City owns a certain undeveloped parcel of real property commonly known as Parcel #60207 fronting London Bridge Drive; and

WHEREAS, the adjacent parcel of land commonly known as Parcel #60397 is largely isolated from a developed public right-of-way due to geographical constraints; and

WHEREAS, it is the desire of the city to promote productive uses of undeveloped private property within the City.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Danville, Virginia, that pursuant to Sections 15.2-1800 and 15.2-1813 of the Code of Virginia, 1950, as amended, and in consideration of the public hearing this day held by Council, that the City Manager, Kenneth F. Larking, be, and he is hereby, authorized and directed to convey an easement substantially in form attached hereto, across City Parcel #60207, to the owners of the adjacent property, Parcel #60397; and

BE IT FURTHER RESOLVED that the City Manager, Kenneth F. Larking, be, and he is hereby, authorized to execute on behalf of the City any and all documents as may be necessary to effect such conveyance to the owners of Parcel #60397.

APPROVED:

____
MAYOR

ATTEST:

____

CLERK

Approved as to
Form and Legal Sufficiency:

____

City Attorney

THIS **DEED OF EASEMENT** made this the ____ day of _________, 2018, by and between **The CITY OF DANVILLE, VIRGINIA, a municipal corporation, GRANTOR**, and **EDGAR M. LOVE, HARRIET N. LOVE, JAMES S. LOVE JR., AND JEAN L. KIMBALL, GRANTEES**,

W I T N E S S E T H:

WHEREAS, the herein described real property (hereinafter referred to as the Property) was conveyed to the City of Danville, Virginia by deed dated July 7, 1958, which is recorded in the Clerk's Office of the Circuit Court for Pittsylvania County, Virginia, in Deed Book 382, at page 340; and

WHEREAS, grantees own an adjacent parcel of land (hereinafter referred to as Tax PIN #60397) containing approximately 67 acres, which is largely isolated from a developed public right-of-way due to geographical constraints; and

WHEREAS, it is the desire of both Grantor and Grantees to solemnize both those rights and restrictions necessary to guarantee access to Tax PIN #60397 through an easement physically crossing the Property;

For one dollar cash in hand, the sufficiency of which is hereby acknowledged, the Grantor does hereby give, grant, and convey unto the Grantee, an easement over the Property, situate in the City of Danville, Virginia, and more particularly described as follows:

TAX PIN #60207 – LONDON BRIDGE DRIVE, DANVILLE, VIRGINIA

BEGINNING at a point on the eastern side of Oakwood Place where it intersects with the 1958 corporate limits of the City of Danville, Virginia at an iron; thence along the northern margin of Oakwood Place right-of-way as set forth on a map hereinafter referred to, to its intersection with "Proposed By-Pass" as set forth on said map; thence in a northern direction along the northwestern margin of "Proposed By-Pass" to an iron in the line of the 1958 Corporate Limits of Danville; thence S. 27° 34' E. 669.09 feet to the middle of Pumpkin Creek; thence along the center of Pumpkin Creek as it meanders in a generally western and northwestern direction to a point where it would cross the eastern margin of Oakwood Place, if said Oakwood Place were extended from the point of the beginning herein straight to said Pumpkin Creek; thence N. 51° 24' W. 157.75 feet to the point of beginning; all of which is more adequately set forth on a map dated June 3, 1958 prepared by the Office of the City Engineer, Danville, Virginia and described as Drawing No. H-206, recorded in the Clerk's Office of the Circuit Court of Pittsylvania County, in Deed Book 382, at page 340.

AND BEING IN FACT, the same property conveyed to the City of Danville, Virginia, a municipal corporation, from Hedrick Johnson Development Corporation by deed dated July 7, 1958, and recorded in the aforesaid Clerk's Office in Deed Book 382, at page 340, said property now located entirely within the corporate limits of the City of Danville.

The said easement shall run with the land and be subject to those restrictive covenants attached hereto as Schedule "A" and recorded contemporaneously with this Deed of Easement.

(*The remainder of this page intentionally left blank*)

SCHEDULE "A"

SPECIAL RULES AND CONDITIONS FOR AN ACCESS ACROSS PIN # 60207

1. **Limited Purpose.** The Grantees acknowledge and agree that this easement is for the limited purpose of crossing the Property from the right-of-way on London Bridge Drive to Parcel # 60397 and back to the aforesaid right-of-way from Parcel # 60397.

2. **No warranty of fitness for a particular purpose.** The Grantees acknowledge and agree that this easement is not in any way a promise or guarantee that the Property is suitable or fit for the operation or navigation of vehicles, whether for hauling timber, or for other purposes.

3. **Duty to obey all relevant laws and ordinances.** The Grantees acknowledge and agree that this easement does not excuse or modify in any way, any generally applicable legal duty or obligation of any Grantee to obey all federal, State, and local laws and regulations in effect, including without limitation, any traffic, zoning, or noise ordinance.

4. **Tolls prohibited.** The Grantees acknowledge and agree that they are prohibited from charging or collecting any toll or thing of value in consideration for allowing any other person or good to cross the Property.

5. **Time limitation on use of commercial vehicles or heavy work trucks.** The Grantees acknowledge and agree that at no time during the duration of this Easement shall they be permitted to operate commercial vehicles, tractor trailers, or heavy work trucks across the Property between the hours of 11:00 P.M. and 7:00 A.M.

6. **Liability for damage to City Property.** The Grantees acknowledge and agree that they shall be liable for the costs of repairing any damage sustained to the Property by the Grantees or their guests, agents, contractors, Subcontractors, employees, invitees, or other person or persons who cross the easement at the direction or invitation of the Grantees. This includes, but is not limited to, the paved access road on the Property near Grove Park pool.

(*The remainder of this page intentionally left blank*)

WITNESS the following signatures and seals:

THE CITY OF DANVILLE, VIRGINIA,
a municipal corporation of the
Commonwealth of Virginia, GRANTOR

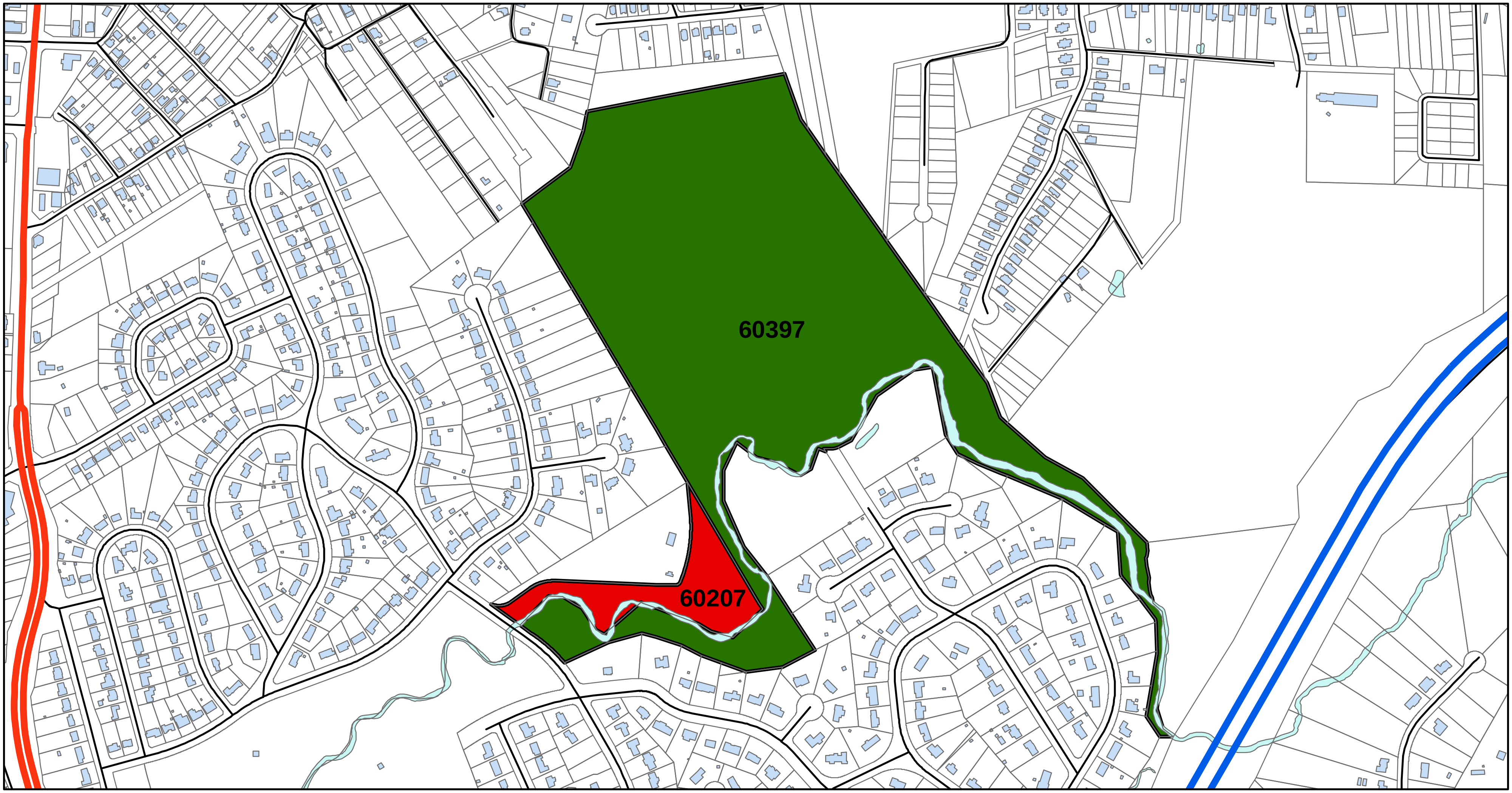
BY: ________________________________
KEN F. LARKING
City Manager

COMMONWEALTH OF VIRGINIA
CITY OF DANVILLE, to-wit:

The foregoing instrument was acknowledged before me this the ____ day of ___________________, 2018, by **KEN F. LARKING**, in his capacity as City Manager of the City of Danville, Virginia, Grantee.

____
NOTARY PUBLIC

My commission expires: ____________



Potential Easement at London Bridge Dr.

Legend

Danville Expy	Tax Parcels	**Properties Under Consideration**	
Main St	Building Footprints	Property ID 60207	
Streets	Bodies of Water	Property ID 60397	

Prepared by Planning Division of the City of Danville Date: 10/16/2018

DISCLAIMER: Information contained on this map is to be used for reference purposes only and the City of Danville is not responsible for any inaccuracies herein contained. The City of Danville makes no representation of warranty as to this map'saccuracy, and in particular, its accuracy in labeling, dimensions, contours, property boundaries, or placement or location of any map features thereon. No responsibility is assumed for damages or other liabilities due to the accuracy, availability, use or misuse of the information herein provided

Council Letter
City of Danville, Virginia

CL-2005 **Work Session Item #: D.**

Work Session Meeting

Meeting Date: 11/08/2018

Subject: Storm Drainage on Private Property

From: Richard Drazenovich, Public Works Director

COUNCIL ACTION

Work Session: 11/08/2018

SUMMARY

City Council has requested information about storm drainage systems on private property. Specifically, regarding the City's past and present inspections, easements, and regulations pertaining to drainage pipes under structures on private property.

To answer those questions, Public Works has prepared a Power Point presentation which also includes information on what the City currently does, what the City is required to do, what other cities do, and what is the potential cost and funding sources if the City chose to offer more assistance to private properties.

BACKGROUND

The unusually wet spring and summer has focused more attention on failing storm water systems on private property and in the public rights-of-way. This resulted in more requests for assistance from the property owners to Public Works, the City Manager, and City Council.

Attachments

No file(s) attached.
