

Danville-Pittsylvania Regional Industrial Facility Authority

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

AGENDA

April 14, 2020

12:00 P.M.

**Institute for Advanced Learning and Research
150 Slayton Avenue, Room 207
Danville, Virginia**

County of Pittsylvania Members

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

City of Danville Members

**Fred O. Shanks, III, Vice Chairman
Sherman M. Saunders
J. Lee Vogler, Jr., Alternate**

Staff

**Ken 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 AND CONFIRMATION OF MEETING LOGISTICS

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 MARCH 9, 2020 MEETING

5. NEW BUSINESS

- A. Consideration of Resolution No. 2020-04-14-5A, ratifying that certain Access Easement Agreement dated March 9, 2020, between the Authority as grantor and Poindexter Properties, LLC, a Delaware limited liability company, as grantee, for a perpetual, non-exclusive access easement over certain land in the Authority's Cane Creek Centre project located in Pittsylvania County, Virginia, with GPINs 2347-04-1865 and 2347-15-7310, more commonly known as Lots 7B and 7C - Matthew D. Rowe, Director of Economic Development, Pittsylvania County and Michael C. Guanzon, Christian & Barton, LLP, legal counsel to the Authority
- B. Consideration of Resolution No. 2020-04-14-5B, approving that certain Deed of Easement from the Authority to Mid-Atlantic Broadband Communities Corporation, a Virginia nonstock corporation, for a perpetual, non-exclusive easement and right of way to install and maintain a communication system on a portion of certain real property in the Authority's Cane Creek Centre project located in Pittsylvania County, Virginia, tax GPIN 2347-04-1865, commonly known as Lot 7B – Mr. Rowe and Mr. Guanzon
- C. Consideration of Resolution No. 2020-04-14-5C, approving Change Order 8 to the site development work by Haymes Brothers, Inc., a Virginia corporation, originally approved under Resolution No. 2017-02-24-4A, including construction of a Phase 1 pad expansion for Pad A on Lot 4, in the Authority's Southern Virginia Megasite at Berry Hill, located in Pittsylvania County, Virginia, increasing the contract price by \$46,860.00 – Brian K. Bradner, P.E., Vice President, or Shawn R. Harden, P.E., Senior Associate, Dewberry Engineers Inc.
- D. Consideration of Resolution No. 2020-04-14-5D, approving a one-year renewal of the lease to the Osborne Company of North Carolina, Inc., a North Carolina corporation, of approximately 100 acres of pastureland in the Authority's Southern Virginia Megasite at Berry Hill project (a portion of GPINs 1366-78-4718 and 1367-70-4519), commonly known as 4380 Berry Hill Road, in Pittsylvania County, Virginia; the lease term shall be subject to a right of landlord to show the demised premises upon at least 24-hours notice and the obligation of tenant to keep the identity of any prospective business recruits confidential until a public announcement is made, if ever, or as otherwise required by law; the Authority shall

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have the right to early terminate the lease with at least 30-days notice; and the lease shall be for the use of harvesting grass hay and incidental uses acceptable to the Authority, at a total rental fee of \$1,000.00 - Mr. Guanzon

- E. Financial Status Reports as of March 31, 2020 – Michael L. Adkins, CPA, Treasurer of the Authority, and/or Henrietta Weaver, CPA, City of Danville, Virginia *[via Conference Line: +1 (646) 558-8656 and Meeting ID: 779-763-156]*

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. The Conference Line will be disconnected or muted during the closed session.]

- 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 Mr. Guanzon as legal counsel employed or retained by the Authority regarding specific legal matters requiring the provision of legal advice by him.

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RETURN TO OPEN SESSION

- E. Reinstatement/Unmuting of Conference Line [see *Agenda Item 5E above*].
- F. Confirmation of Motion and Vote to Reconvene in Open Meeting.
- G. Motion to Certify Closed Meeting.

7. COMMUNICATIONS FROM:

- A. Authority Board Members
- B. Staff
 - i. COVID-19 and Meeting Logistics – Mr. Guanzon

8. ADJOURN

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 4
Meeting Date:	04/14/2020
Subject:	Meeting Minutes
From:	Susan M. DeMasi, Authority Secretary

SUMMARY

Attached for the Board's approval are the Meeting Minutes from the Monday, March 9, 2020 Meeting

ATTACHMENTS

Meeting Minutes – 03/09/2020

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

March 9, 2020

A Meeting of the Danville-Pittsylvania Regional Industrial Facility Authority convened at 12:06 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 Vice Chairman Fred O. Shanks, III, Sherman M. Saunders and Alternate J. Lee Vogler. Pittsylvania County Members present were Chairman Robert W. Warren, Ronald S. Searce and Alternate Vic Ingram.

City/County staff members attending were: County Administrator David Smitherman, City of Danville Interim Director of Economic Development Corrie Bobe, Project Manager Kelvin Perry, Pittsylvania County Director of Economic Development Matt Rowe, Project Manager Susan McCullough, City of Danville Director of Finance Michael Adkins, City of Danville Accountant Henrietta Weaver, Christian & Barton Attorney Michael C. Guanzon, and Secretary to the Authority Susan DeMasi. Also present were Shawn Harden from Dewberry, and City Council Member Madison Whittle.

PUBLIC COMMENT PERIOD

No one present desired to be heard.

APPROVAL OF MINUTES OF THE FEBRUARY 10, 2020 MEETING

Upon **Motion** by Mr. Saunders and **second** by Mr. Shanks, Minutes of the February 10, 2020 Meeting were approved as presented. Draft copies had been distributed to Authority Members prior to the Meeting.

NEW BUSINESS

5A. CONSIDERATION OF RESOLUTION NO. 2020-03-09-5A APPROVING AMENDMENT NO. 29 WITH DEWBERRY ENGINEERS

Shawn Harden from Dewberry explained this item was for further archeological studies in support of the Quest Site Certification, as well as for due diligence items needed once those properties are developed. Mr. Guanzon noted the max fee will be \$445,300 and everything was available through grant money with the exception of \$130,000; that part of the work may or may not be needed. In case it ends up being needed, either Mr. Adkins, as Treasurer, will say there was grant money available, and/or there was a line item in the budget that would cover the \$130,000. This Resolution would authorize Mr. Adkins to release and pay those funds; it does not have to come back to the Board for approval.

Mr. Searce **moved** for adoption of Resolution No. 2020-03-09-5A, approving that certain Amendment No. 29, dated February 24, 2020, to contract dated February 9, 2009, with Dewberry Engineers Inc., a New York corporation, for professional services related to the Mega Park Master Plan, to provide additional cultural resources due diligence services to the Authority's Southern Virginia Megasite at Berry Hill, located in Pittsylvania County, Virginia, at a lump sum fee of up to \$445,300.00 of which \$342,300.00 is to be funded by the Major Employment and Investment Project Site Planning grant from the Virginia Economic Development Partnership.

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

DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY

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

5B. CONSIDERATION OF RESOLUTION NO. 2020-03-09-5B APPROVING THE PROPOSED BUILDING IMPROVEMENTS TO LOTS 3C AND 3D

Pittsylvania County Director of Economic Development Matt Rowe explained Karen Hayes, Deputy Director of Community Development for the County was unable to attend this meeting. This item was for the approval, per RIFA standards, of the Aerofarms Building, on Lots 3A and 3B in the Cane Creek Centre. The Board has been provided floor plans, building renderings and site plans of the property, and must approve each project based upon architectural and review standards, and make sure it was in conformance with the Park. Ms. Hayes has provided a memo to the Board. Mr. Rowe explained the proposed building plan has already been submitted and Ms. Hayes has found it to be in compliance with the Cane Creek Covenants, and Stormwater, and Erosion and Sediment Control plans have been approved. The Building Plan will need to be submitted to the Code Officials; once the building's plans have been submitted and approved, the project should have a groundbreaking in the next 45-60 days. Mr. Rowe noted the investment for the project has increased from about \$42M up to \$55M, and it was his understanding they would like to have the building completed by the end of this year.

Mr. Guanzon stated the lots were first drawn up as 3A and 3B, they are now 3A, 3B, 3C and 3D, so they are all the same part. This was a two part review process; the County, in its zoning capacity will review it to say it meets all the codes; then the County, on behalf of RIFA, separate and independent of that, will then make a recommendation to say that the proposed building meets the standards under the restrictive covenants of Cane Creek. In the Restrictive Covenants, there was a reference to the architectural review board, and that board was the RIFA board.

Mr. Shanks questioned the conservation easements, who will own those. Mr. Harden noted in order to meet the Stormwater Management Regulations for DEQ, staff has replaced some of the undeveloped areas in the conservation easements; they will be owned by RealtyLink. Mr. Warren questioned Mr. Rowe, noting the investment number went up, did that change the job number at all. Mr. Rowe noted that was still being negotiated, he believes the company was looking at potentially adding research components.

Mr. Saunders **moved** for adoption of *Resolution No. 2020-03-09-5B, approving the proposed building improvements to Lots 3C and 3D (Pittsylvania County GPINs 2347-46-9915 and 2347-35-9589), formally known as Lots 3A and 3B, in the Authority's Cane Creek Centre Industrial Park located in Pittsylvania County, Virginia, that will be developed by RealtyLink Investments, LLC, a South Carolina limited liability company, or one of its affiliates.*

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

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

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5E. FINANCIAL STATUS REPORTS AS OF FEBRUARY 29, 2020

Mr. Adkins gave the Financial Status report as of February 29, 2020, beginning with the \$7.3M Cane Creek Bonds, which showed two expenditures for the month of February, the first was \$5,691 for Christian & Barton for legal services, and \$2,000 to Dewberry for the Lot 3 Environmental Survey. General Expenditures show RIFA reimbursed legal services for a combined total of \$20,095 paid to Christian & Barton and Clement Wheatley, \$296 for meals and \$31 for the monthly utility bill. Funding Other than Bonds for the Mega Site showed RIFA expended \$361,897 to Clement Wheatley for settlement on a property purchase at 604 Buford Road. Lot 4 Site Development, Lot 8 Site Development, and Water and Sewer showed no activity for the month of February. Rent, Interest and Other Income showed RIFA received \$785 in interest income, paid \$25,412 to the Institute for the Hawkins' Building maintenance and paid \$16,363 to Gerfertec for part of the agreement to reimburse them for training on their equipment. Page 37 was a recap of the expenditures for February.

Mr. Shanks **moved** to accept the Financial Report as presented. The Motion was **seconded** by Mr. Searce and carried by the following vote:

VOTE: 4-0
AYE: Warren, Searce, Shanks, Saunders (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 12:19 p.m. Mr. Searce **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 one or more of the Authority's projects located in Pittsylvania County, Virginia, and/or Danville, Virginia;

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

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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.

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

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

D. On **Motion** by Mr. Searce and **second** by Mr. Saunders and by unanimous vote at 1:35 p.m., the Authority returned to open meeting.

E. Mr. Searce **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 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. Shanks and carried by the following vote:

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

7. COMMUNICATIONS

Entrance Sign Update – Mr. Rowe noted staff, in the past, had brought to the Board a proposal for signage at the Mega Site. Given the increased activity at the site, staff finds it important to have identification signage at either end of the park; staff has secured funding to pay for the improvements. The logo and design had been narrowed down by staff and the Board, and staff was looking for approval to move forward with bidding out the signage concept to third party sign developers, up to the amount of \$100,000. That will allow staff to have that threshold, and they can negotiate based upon the deliverables. Mr. Vogler noted his support of this item, it was important for the branding and marketing of the park. Mr. Guanzon noted

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they will need to do a contract; staff will need to come back and have the Board approve and ratify it.

Mr. Guanzon explained the next meeting would have been scheduled for Monday, April 13, 2020; that was Easter Monday and the City was closed. The next RIFA meeting will be on Tuesday, April 14th. Also, this room was supposed to be in the process of being renovated, staff will keep the board posted on which room the meeting will take place.

Ms. Bobe noted there was a request discussed during the pre-RIFA meeting, from Harlow. They have made a request to adjust for access to funding for their Performance Agreement. Their Agreement allowed up to \$75,000 to cover their rental payments at the Institute. Due to adjusted lease rates, they did not spend the entire amount, and have about \$16,000 left. The rental payments were to cover up to \$75,000, but for one year; their lease began in December of 2018 and completed in December 2019. They are asking if they could now, moving into the high bay space next to the Gene Haas center, apply the remaining \$16,000 balance to the new lease. Mr. Shanks questioned if they are ahead of schedule and Mr. Warren noted it was his understanding that RIFA authorized up to \$75,000, RIFA was able to get a better rate, now they want RIFA to still give them \$75,000. They received their one year free lease. Mr. Searce noted he was in agreement with the one year free lease, RIFA does not need to provide extra money. Mr. Guanzon stated he believed the Board should do an official vote.

Mr. Shanks **moved** that the Board stay with their original agreement of one year free lease for the Harlow Group. The Motion was **seconded** by Mr. Searce and carried by the following vote:

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

Meeting adjourned at 1:44 p.m.

APPROVED:

Chairman

Secretary to the Authority

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 5A
Meeting Date:	04/14/2020
Subject:	Resolution 2020-04-14-5A
From:	Matthew D. Rowe, Director of Economic Development, Pittsylvania County, and Michael C. Guanzon, Christian & Barton

SUMMARY

Attached for the Board's approval is Resolution 2020-04-14-5A ratifying the Access Easement Agreement dated March 9, 2020.

ATTACHMENTS

Resolution
Exhibit A

A RESOLUTION RATIFYING THAT CERTAIN ACCESS EASEMENT AGREEMENT DATED MARCH 9, 2020, BETWEEN THE AUTHORITY AS GRANTOR AND POINDEXTER PROPERTIES, LLC, A DELAWARE LIMITED LIABILITY COMPANY, AS GRANTEE, FOR A PERPETUAL, NON-EXCLUSIVE ACCESS EASEMENT OVER CERTAIN LAND IN THE AUTHORITY’S CANE CREEK CENTRE PROJECT LOCATED IN PITTSYLVANIA COUNTY, VIRGINIA, WITH GPINS 2347-04-1865 AND 2347-15-7310, MORE COMMONLY KNOWN AS LOTS 7B AND 7C

WHEREAS, the Danville-Pittsylvania Regional Industrial Facility Authority (the “**Authority**”) is a political subdivision of the Commonwealth of Virginia duly created pursuant to the Virginia Regional Industrial Facilities Act, as amended; and

WHEREAS, the Authority, the City of Danville, Virginia (the “**City**”), and the County of Pittsylvania County, Virginia (the “**County**”), in order to stimulate economic growth and development of the community by creating jobs and infrastructure have agreed to provide incentives to new and expanding businesses which conduct industrial activity; and

WHEREAS, pursuant to Resolution No. 2019-11-08-4A, the Authority ratified that certain Local Performance Agreement (the “**LPA**”), dated October 22, 2019, with Morgan Olson, LLC, a Delaware limited liability company (“**Morgan Olson**”); and

WHEREAS, pursuant to the LPA, the Authority and Morgan Olson executed that certain Ground Lease, dated February 11, 2020, under which Morgan Olson is leasing that certain real property located in the Authority’s Cane Creek Centre industrial park (“**Cane Creek**”), commonly known as Lots 7B (tax GPIN 2347-04-1865) and 7C (tax GPIN 2347-15-7319) (Lots 7B and 7C, collectively, the “**RIFA Property**”) in connection with its business operations on Cane Creek Lot 7A (tax GPIN 2347-06-3528) (“**Lot 7A**”), which contains an existing building (the “**Building**”), where Lot 7A is owned by Poindexter Properties, LLC, a Delaware limited liability company, an affiliate of Morgan Olson (“**Poindexter**”); and

WHEREAS, the Authority has determined that it was necessary to grant an access easement across the RIFA Property adjoining Lot 7A, in order for Morgan Olson to access the Building and parking lot on Lot 7A, from that certain public road known as Cane Creek Parkway, as more particularly set forth in that certain Access Easement Agreement, dated March 9, 2020, with Poindexter, attached hereto as **Exhibit A**, incorporated herein by this reference (the “**Access Easement Agreement**”); and

WHEREAS, the Authority’s Board of Directors has determined that it is in the best interests of the Authority and the citizens of the City and the County for the Authority to ratify the Access Easement Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY, that

Resolution No. 2020-04-14-5A

1. The Authority hereby finds that the Access Easement Agreement with Poindexter is reasonable, appropriate and within the authority of Resolution No. 2019-11-08-4A.
2. The Authority hereby approves, ratifies and confirms any and all actions previously taken by the Authority, its agents and representatives, in respect to the approval of the Access Easement Agreement and the matters contemplated in this Resolution.
3. This Resolution shall take effect immediately upon its adoption.

- # -

CERTIFICATE

I, the undersigned Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority, hereby certify that the foregoing is a true, correct and complete copy of a Resolution duly adopted by a majority of the directors of the Danville-Pittsylvania Regional Industrial Facility Authority at a regular meeting duly called and held on April 14, 2020, and that such Resolution has not been repealed, revoked, rescinded or amended, but is in full force and effect on the date hereof.

WITNESS my hand as Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority as of the 14th day of April 2020.

(SEAL)

SUSAN M. DeMASI, Secretary
Danville-Pittsylvania Regional Industrial
Facility Authority

Exhibit A

(Access Easement Agreement)

PREPARED BY AND RETURN TO:
McGuireWoods LLP
1750 Tysons Boulevard
Suite 1800
Tysons, VA 22102-4215
Attn: E. Kristen Moyer

GPINs: 2347-06-3528 LOT A
2347-04-1865 LOT B
2347-15-7319 LOT C

ACCESS EASEMENT AGREEMENT

THIS ACCESS EASEMENT AGREEMENT (this "Agreement") is made this 9th day of March, 2020 by and between **DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY**, a political subdivision of Commonwealth of Virginia ("RIFA"), **MORGAN OLSON, LLC**, a Delaware limited liability company ("Morgan Olson"; together with RIFA, the "Grantor") and **POINDEXTER PROPERTIES, LLC**, a Delaware limited liability company ("Grantee").

RECITALS

A. Grantee is the fee owner of certain tracts or parcels of land comprising approximately 86.973 acres in the City of Ringgold, Pittsylvania County, Virginia with tax parcel identification number 2347-06-3528, known as "Lot A" (the "Grantee Property").

B. RIFA is the fee owner of certain tracts or parcels of land in comprising approximately 110.705 acres with tax parcel identification number 2347-04-1865, known as "Lot B" and approximately 11.992 acres with tax parcel identification number 2347-15-7319, known as "Lot C", each located in the City of Ringgold, Pittsylvania County, Virginia (Lot B and Lot C are collectively referred to herein as the "Property").

C. Morgan Olson is the ground lessee of all or a portion of the Property pursuant to that certain Ground Lease made by and between Morgan Olson and RIFA dated as of February 11, 2020 (the "Ground Lease") and holds a leasehold interest in the Property.

D. Grantor has agreed to grant an easement for ingress and egress to the Grantee Property across the Property as further provided herein.

E. RIFA and Morgan Olson hereby acknowledge and agree that the Ground Lease is hereby amended to the extent reasonably necessary to effectuate the Easement (as defined below) herein conveyed. In the event of a conflict between the Ground Lease and this

Agreement, the terms of this Agreement shall control to the extent necessary to resolve such conflict. Any purchase of the Demised Premises (as defined in the Ground Lease) under the Ground Lease shall specifically be subject to this Agreement.

AGREEMENT

NOW THEREFORE, in consideration of the premises, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Easement. Subject to the terms and conditions herein, Grantor, for itself and its successors, assigns and transferees in title, does hereby grant to Grantee and its successors, assigns and transferees in title, a perpetual, non-exclusive easement (the "Easement"), on, over and across the portion of the Property identified on the plat titled "Variable Width Access Easement Crossing Lot 7C and 7B for Poindexter Properties, LLC," prepared by Dewberry Engineers, Inc. and dated February 21, 2020 attached hereto as Exhibit A (the "Easement Area") for ingress to and egress from the Grantee Property.

2. No Barriers. No walls, fences or barriers of any sort or kind shall be constructed or maintained on the Property, or any portion thereof, which shall prevent or impair the use or exercise of Grantee's rights as provided herein. Notwithstanding the foregoing, Grantor or Grantee shall have the right to install gates, fences or other barrier to control access to the Easement Area, provided that such Grantor or Grantee shall provide the other with a key or other means to ensure that Grantee has unfettered access to the Easement Area.

3. Covenants Running with the Land. The rights, privileges and easements herein granted are for the non-exclusive use, enjoyment and benefit of Grantee, and for the benefit of its invitees, licensees, contractors, successors and assigns of Grantee. Notwithstanding the foregoing sentence to the contrary, any invitees, licensees, or contractors of Grantee shall not acquire any independent or separate rights in or to any portion of the Property pursuant to this Agreement, it being understood that all such rights shall attach solely to Grantee and its successors and assigns. Except as otherwise provided in this Agreement, such rights and privileges shall be covenants running with the land, shall constitute a burden on the Property and shall inure to the benefit of the Grantee. This Agreement shall not be construed to grant rights to the public in general.

4. Maintenance. Grantee shall be responsible for the maintenance of the Easement Area as necessary for its purposes and shall repair any damage caused by its or its invitees' use thereof.

5. Not a Public Dedication; Ownership and Control. Nothing herein contained shall be deemed to be a gift or dedication of any portion of the Property to the general public or for the general public or for any public use or purpose whatsoever, it being the intention and understanding of the parties hereto that this Agreement shall be strictly limited to and for the purposes herein expressed, solely for the benefit of the parties hereto and their respective licensees, invitees, successors and assigns. Nothing contained in this Agreement, express or implied shall confer upon any person or entity, other than the parties hereto, their respective licensees, invitees, successors

and assigns, any rights or remedies under or by reason of this Agreement. In the case of the Easement or other rights created herein, Grantee shall acquire only the limited rights to use the burdened property as set forth herein. Notwithstanding the provisions of this Section 5, if RIFA decides to dedicate the Easement Area to public use, Grantee agrees to extinguish the Easement conveyed pursuant this Agreement.

6. General Provisions

(a) Notices. Any notices, demands, approvals and other communications provided for herein shall be in writing and shall be delivered by overnight air courier, personal delivery or registered or certified U.S. Mail with return receipt requested, postage or other charges paid, to the appropriate party at its address as follows:

If to Grantor: Danville-Pittsylvania Regional Industrial Facility Authority
427 Patton Street
Danville, VA 24541
Attention: Susan M. DeMasi, Authority Secretary

with a copy to: Matthew D. Rowe
Director of Economic Development
Pittsylvania County
1 Center Street
Chatham, VA 24531

and Corrie T. Bobe
Interim Director of Economic Development
City of Danville
427 Patton Street
Danville, VA 24541

And to: Morgan Olson, LLC
1801 S. Nottawa Street
Sturgis, MI 49091
Attention: Phillip M. Ownbey, President/CEO

If to Grantee: Poindexter Properties, LLC
c/o J.B. Poindexter & Co., Inc.
600 Travis Street, Suite 400
Houston, TX 77002
Attention: Chief Financial Officer

with a copy to: Jackson Walker LLP
1401 McKinney, Suite 1900
Houston, TX 77010
Attention: Michael Wood and William Johnson

Addresses for notice may be changed from time to time by written notice to the other party. Any communication will be effective (i) if given by mail, upon the earlier of (a) three business days following deposit in a post office or other official depository under the care and custody of the United States Postal Services or (b) actual receipt, as indicated by the return receipt, and (ii) if given by personal delivery or by overnight air courier, when delivered to the appropriate address.

(b) Rights and Remedies. It is expressly understood and agreed that upon a breach of this Agreement by any party to this Agreement, the nonbreaching party shall have any and all rights and remedies for such breach at law or in equity, including injunctive relief.

(c) Indemnification. Grantee shall indemnify and hold harmless Grantor from and against all claims, liability, damages and expenses, including reasonable attorney's fees, based on any injury to any person, including the loss of life, or damage to any property, including the loss of use thereof, arising out of, resulting from, or connected with, or that may be alleged to have arisen out of, resulted from, or connected with, an act or omission by Grantee, its employees, agents, representatives, successors or assigns in the use of the Easement.

(d) Negation of Partnership or Joint Venture. None of the terms or provisions of this Agreement shall be deemed to create a partnership between or among the parties in their respective businesses or otherwise, nor shall it cause them to be considered joint venturers or members of any joint enterprise.

(e) General Provisions. This Agreement shall be interpreted according to the laws of the Commonwealth of Virginia. This Agreement constitutes the entire agreement and understanding of the parties with respect to the subject matter hereof and, except for the Interconnection Agreement and related agreements between Grantee supersedes all prior agreements, oral or written, and all other communications between the parties relating to such subject matter. The waiver by either party of a breach or violation of any provisions of this Agreement shall not operate as, or be construed to be, a waiver of any subsequent breach of the same or other provision. In the event any provision of this Agreement is held to be unenforceable or invalid for any reason, this Agreement shall remain in force and effect and enforceable in accordance with its terms disregarding such unenforceable or invalid provision unless, by disregarding such provision(s), the general business intent of the parties cannot be accomplished. This Agreement may be executed in one or more counterparts, each of which shall be an original and taken together shall constitute one and the same document. Signature and acknowledgment pages, if any, may be detached from the counterparts and attached to a single copy of this document to physically form one document. All rights and obligations contained in this Agreement shall benefit and burden the respective successors and assigns of the parties.

(Signatures and Notarial Acknowledgements Appear on the Following Pages)

WITNESS the following signatures and seals.

GRANTOR:

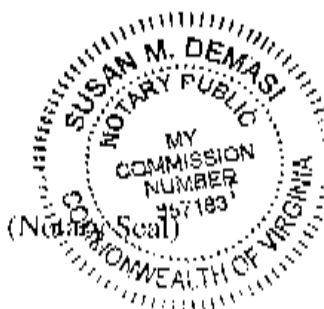
DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY,
a political subdivision of Commonwealth of Virginia

By: Robert W. Warren
Name: Robert W. Warren
Title: Chairman

STATE/Commonwealth of Virginia)
CITY/COUNTY OF Danville) to wit:

On this, the 9th day of March, 2020, before me, the undersigned Notary Public, personally appeared Robert W. Warren, who acknowledged her/himself to be the Chairman of DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY, a political subdivision of Commonwealth of Virginia, and that s/he, as such, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing on behalf of said Authority.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.



Susan M. DeMasi
Notary Public

Susan M. DeMasi
(Printed Name of Notary)

My commission expires: 12/31/2022
Notary Registration Number: 357183

(Signatures and Notarial Acknowledgements Continue on the Following Pages)

MORGAN OLSON, LLC
a Delaware limited liability company

By: _____

Name: David R. Nuzzo

Title: VP

STATE/Commonwealth of TEXAS)

CITY/COUNTY OF HARRIS)

to wit:

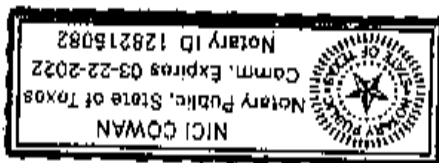
On this, the 6th day of MARCH, 2020, before me, the undersigned Notary Public, personally appeared DAVID R. NUZZO, who acknowledged her/himself to be the VP of MORGAN OLSON, LLC, a Delaware limited liability company, and that s/he, as such, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing on behalf of said limited liability company.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Nici Cowan
Notary Public

NICI COWAN
(Printed Name of Notary)

(Notary Seal)



My commission expires: MARCH 22, 2022

Notary Registration Number: 128215082

(Signatures and Notarial Acknowledgements Continue on the Following Pages)

GRANTEE:

POINDEXTER PROPERTIES, L.L.C.,
a Delaware limited liability company

By: [Signature]
Name: David R. Nuzzo
Title: VP

STATE/Commonwealth of TEXAS)
CITY/COUNTY OF HARRIS) to wit:

On this, the 16th day of MARCH, 2020, before me, the undersigned Notary Public, personally appeared DAVID R. NUZZO, who acknowledged her/himself to be the VP of POINDEXTER PROPERTIES, L.L.C., a Delaware limited liability company, and that s/he, as such, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing on behalf of said limited liability company.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

[Signature]
Notary Public

NICI COWAN
(Printed Name of Notary)

(Notary Seal)

My commission expires: MARCH 22, 2022
Notary Registration Number: 128215082

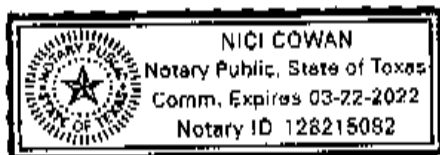


Exhibit A

{Plat}

GPIN PART: 2347-06-3528 (CO.)
DANVILLE-PITTSYLVANIA REGIONAL
INDUSTRIAL FACILITY AUTHORITY
INSTR.#19-2695 (CO.)
MAP BOOK 44, PAGE 143AG(CO.)

GPIN PART: 2347-04-1865 (CO.)
ACCT.# PART: 75059 (CITY)
DANVILLE-PITTSYLVANIA REGIONAL
INDUSTRIAL FACILITY AUTHORITY
INSTR.#06-00431(CO.)
INSTR.#05-4237 (CITY)
MAP BOOK 44, PAGE 143AG(CO.)

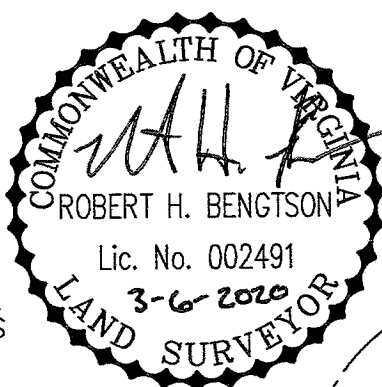
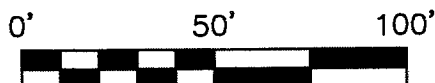
CB=N 61°43'32" E
CH=167.67'
R=220.00'
DA=44°47'57"
A=172.02'
T=90.68'

CB=S61°43'32" W
CH=121.94'
R=160.00'
DA=44°47'57"
A=125.10'
T=65.95'

CURVE TABLE					
CURVE	RADIUS	ARC LENGTH	CHORD LENGTH	CHORD BEARING	DELTA ANGLE
C1	36.00'	56.53'	50.90'	N 50°53'18" W	89°58'23"
C2	130.00'	119.70'	115.51'	S 65°42'13" W	52°45'20"
C3	74.64'	53.14'	52.03'	S 56°43'07" E	40°47'43"
C4	70.00'	64.45'	62.20'	N 65°42'13" E	52°45'20"
C5	23.00'	36.14'	32.53'	N 39°06'42" E	90°01'37"
C6	90.00'	180.49'	151.73'	N 01°40'22" E	114°54'04"
C7	90.00'	125.64'	115.68'	S 80°53'07" E	79°58'59"
C8	90.00'	134.61'	122.41'	S 01°57'14" W	85°41'44"

LINE TABLE		
LINE	BEARING	DISTANCE
L1	S 84°07'30" W	18.36'
L2	S 34°50'53" E	29.29'
L3	N 84°07'30" E	31.31'

AREA NOTE:
EASEMENT ON 7B = 0.820 ACRES
EASEMENT ON 7C = 2.322 ACRES
TOTAL AREA = 3.142 ACRES



END PUBLIC
RIGHT OF WAY

R/W

CANE CREEK PARKWAY

VARIABLE WIDTH ACCESS EASEMENT
CROSSING LOT 7C AND 7B FOR
POINDEXTER PROPERTIES, LLC

DAN RIVER MAGISTERIAL DISTRICT
PITTSYLVANIA COUNTY, VIRGINIA

SCALE: 1" = 100'

DATE: 2-21-2020

SHEET NO. 1 of 1

PROJECT NO. 50118991

DRAWN BY: pgl

PARTY CHIEF:

FILE NO. V3029A

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 5B
Meeting Date:	04/14/2020
Subject:	Resolution 2020-04-14-5B
From:	Matthew D. Rowe, Director of Economic Development, Pittsylvania County, and Michael C. Guanzon, Christian & Barton

SUMMARY

Attached for the Board's approval is Resolution 2020-04-14-5B Approving a Deed of Easement to Mid-Atlantic Broadband.

ATTACHMENTS

Resolution
Exhibit A

A RESOLUTION APPROVING THAT CERTAIN DEED OF EASEMENT FROM THE AUTHORITY TO MID-ATLANTIC BROADBAND COMMUNITIES CORPORATION, A VIRGINIA NONSTOCK CORPORATION, FOR A PERPETUAL, NON-EXCLUSIVE EASEMENT AND RIGHT OF WAY TO INSTALL AND MAINTAIN A COMMUNICATION SYSTEM ON A PORTION OF CERTAIN REAL PROPERTY IN THE AUTHORITY'S CANE CREEK CENTRE INDUSTRIAL PARK LOCATED IN PITTSYLVANIA COUNTY, VIRGINIA, TAX GPIN 2347-04-1865, COMMONLY KNOWN AS LOT 7B

WHEREAS, the Danville-Pittsylvania Regional Industrial Facility Authority (the "**Authority**") is a political subdivision of the Commonwealth of Virginia duly created pursuant to the Virginia Regional Industrial Facilities Act, as amended; and

WHEREAS, the Authority passed Resolution Nos. 2019-08-11-4A and 2020-04-14-5A pertaining to the local performance agreement and access easement agreement for Morgan Olson, LLC, a Delaware limited liability company ("**Morgan Olson**"), for Morgan Olson's use of Lot 7A ("**Lot 7A**") in the Authority's Cane Creek Centre industrial park ("**Cane Creek**"), located in Pittsylvania County and Danville, Virginia; and

WHEREAS, Morgan Olson requires certain communication system capabilities in order to operate its business on Lot 7A; and

WHEREAS, Mid-Atlantic Broadband Communities Corporation, a Virginia nonstock corporation ("**MBC**") is a provider of such capabilities; and

WHEREAS, the Authority desires to grant a perpetual, non-exclusive easement and right of way to install and maintain a communication system on a portion of certain real property adjoining Lot 7A owned by the Authority, more commonly known as Cane Creek Lot 7B ("**Lot 7B**") (GPIN 2347-04-1865), to MBC; and

WHEREAS, the Authority has reviewed and desires to execute that certain Deed of Easement (the "**Deed of Easement**") for MBC as grantee, in substantially the form shown on **Exhibit A**, attached hereto and incorporated herein by this reference; and

WHEREAS, the Authority has determined that it is in the best interests of the Authority, the citizens of Pittsylvania County, Virginia, and the City of Danville, Virginia, and the further development of Cane Creek and in support of Resolutions 2019-08-11-4A and 2020-04-14-5A for the Authority to execute the Deed of Easement.

NOW, THEREFORE, BE IT RESOLVED, that

1. The Authority hereby approves the Deed of Easement as set forth in **Exhibit A** and as reviewed at this meeting, together with such amendments, deletions or additions thereto as may be approved by the Chairman or Vice Chairman of the Authority,

Resolution No. 2020-04-14-5B

either of whom may act independently of the other, and hereby authorizes the Chairman or Vice Chairman of the Authority, either of whom may act independently of the other, to execute and deliver the Deed of Easement on behalf of the Authority, such execution of the Deed of Easement by the Chairman and/or Vice Chairman, as the case may be, to conclusively establish his approval of any amendments, deletions or additions thereto.

2. The Authority hereby authorizes and directs staff and other agents and representatives working on behalf of the Authority to take such actions and to do all such things as are contemplated by the Deed of Easement, or as they in their discretion deem necessary or appropriate in order to carry out the intent and purposes of these resolutions.

3. The Authority hereby approves, ratifies and confirms any and all actions previously taken by the Authority, its agents and representatives, in respect to the Deed of Easement and the matters contemplated therein.

4. This Resolution shall take effect immediately upon its adoption.

- # -

CERTIFICATE

I, the undersigned Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority, hereby certify that the foregoing is a true, correct and complete copy of a Resolution duly adopted by a majority of the directors of the Danville-Pittsylvania Regional Industrial Facility Authority at a regular meeting duly called and held on April 14, 2020, and that such Resolution has not been repealed, revoked, rescinded or amended, but is in full force and effect on the date hereof.

WITNESS my hand as Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority this 14th day of April 2020.

(SEAL)

SUSAN M. DeMASI, Secretary
Danville-Pittsylvania Regional Industrial
Facility Authority

Exhibit A

(Deed of Easement)

Prepared by:
Christian & Barton LLP
Michael C. Guanzon (VSB 38135)
909 E. Main St., Suite 1200
Richmond, VA 23219

**** This instrument was prepared without
the benefit of a title examination. ****

GPIN: 2347-04-1865

**DEED OF EASEMENT
MBC (985-C)**



THIS DEED OF EASEMENT made as of the ____ day of _____ 2020, by and between **DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY**, a political subdivision of the Commonwealth of Virginia, herein called Grantor and **MID-ATLANTIC BROADBAND COMMUNITIES CORPORATION**, a Virginia nonstock corporation (**MBC**), its successors, assigns lessees and agents, herein after called Grantee.

W I T N E S S E T H:

For and in consideration of One Dollar (\$1.00) cash in hand paid unto Grantor and for other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, Grantor hereby grants and conveys unto Grantee, its successors, assigns, lessees and agents, a perpetual non-exclusive easement and right of way (the "**Easement**") to install, construct, operate, maintain, inspect, improve, relocate, alter, replace and remove a communication system consisting of such guys, anchors, cables, buried cable, buried wires, innerduct, handholes, and related above-ground facilities, including but not limited to, posts, location markers, and other appurtenances (the "**Facilities**"), as Grantee may from time to time require, upon, under, across and over Grantor's real property being located in the County of Pittsylvania, Commonwealth of Virginia more particularly identified as, **GPIN: 2347-04-1865**, commonly known as **Cane Creek Centre Lot 7B** (the "**Property**") as shown in those certain hatched areas and described on those certain drawings, File MI6129, made by Chris Fewox, Design Engineer, Broadband Design Services LLC, identified as Exhibit "A", attached hereto and made a part hereof (the "**Easement Area**").

Said Easement is hereby granted and conveyed unto Grantee together with the following rights and covenants:

Rights

Grantee shall have the non-exclusive right of ingress and egress over, upon and across the Property, including Grantor's private roads, to and from the communications system and Easement, including the right to temporarily open and close fences, for the purposes of exercising the rights herein granted. In no event shall Grantee materially interfere with or impair any other easements over the Easement Area that are of record prior to this instrument.

Grantee shall have the right to trim, cut and remove trees, shrubbery, undergrowth and other obstructions within the Easement Area which interfere with or threaten the efficient and safe operation, construction or maintenance of it facilities or impedes the access thereto.

The communications system constructed hereunder is and shall remain the property of Grantee. Grantee shall have the right to inspect, rebuild, remove, repair, remove and relocate its communications system, or any part thereof, within the Easement Area, and may make such changes, alterations, substitutions, additions in and to or extensions of its facilities as it deems advisable without the prior consent of Grantor.

During periods of actual construction, Grantee shall have the temporary right to use Grantor's property lying adjacent to the Easement Area.

Grantee shall at all times own, bear the cost and expense of, and be responsible and liable for all costs relating to the installation, construction, operation, maintenance, replacement and removal of all cables installed within the Easement Area by Grantor, its agents, or contractors. Grantee shall save Grantor, its successor and assigns to the Property harmless from any and all liabilities, claims, expenses and damages to the extent arising out of or in consequence of Grantee's negligence or willful misconduct during Grantee's activities on the Property.

Covenants

Grantor covenants that it is seized of the Property and has the right to convey the Easement, rights and privileges herein conveyed to Grantee and that Grantee shall have quiet and peaceable possession, use and enjoyment of the aforesaid Easement, rights and privileges hereby granted. This conveyance is made subject to all easements, conditions, restrictions and agreements of record affecting the Property.

IN WITNESS WHEREOF, the following signature and seal to this **DEED OF EASEMENT**:

**DANVILLE-PITTSYLVANIA REGIONAL
INDUSTRIAL FACILITY AUTHORITY**, a
political subdivision of the Commonwealth of Virginia

By: _____
Robert W. Warren, Chairman

(SEAL)

COMMONWEALTH OF VIRGINIA AT LARGE:

County/County of _____; to wit:

I, _____, a Notary Public in and for the jurisdiction aforesaid do hereby certify that **ROBERT W. WARREN**, in his capacity as Chairman of **DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY**, a political subdivision of the Commonwealth of Virginia, did personally appear before me and acknowledge the foregoing instrument in the jurisdiction aforesaid this ____ day of _____ 2020.

My Commission expires: _____
Notary Registration No. _____

Notary Public

Exhibit "A"
(The Property and the Easement Area)

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 5C
Meeting Date:	04/14/2020
Subject:	Resolution 2020-04-14-5C
From:	Brian K. Bradner, Vice President, or Shawn R. Harden, Senior Associate Dewberry

SUMMARY

Attached for the Board's approval is Resolution 2020-04-14-5C approving Change Order No. 8 with Haymes Brothers, Lot 4.

ATTACHMENTS

Resolution
Exhibit A

A RESOLUTION APPROVING CHANGE ORDER 8 TO THE SITE DEVELOPMENT WORK BY HAYMES BROTHERS, INC., A VIRGINIA CORPORATION, ORIGINALLY APPROVED UNDER RESOLUTION NO. 2017-02-24-4A, INCLUDING CONSTRUCTION OF A PHASE 1 PAD EXPANSION FOR PAD A ON LOT 4, IN THE AUTHORITY'S SOUTHERN VIRGINIA MEGASITE AT BERRY HILL, LOCATED IN PITTSYLVANIA COUNTY, VIRGINIA, INCREASING THE CONTRACT PRICE BY \$46,860.00

WHEREAS, the Danville-Pittsylvania Regional Industrial Facility Authority (the “**Authority**”) is a political subdivision of the Commonwealth of Virginia duly created pursuant to the Virginia Regional Industrial Facilities Act, as amended; and

WHEREAS, the Authority approved certain site development work (the “**Original Work**”) to the Authority’s Southern Virginia Megasite at Berry Hill project (“**SVM**”) located in Pittsylvania County, Virginia, under Resolution No. 2017-02-24-4A, by Haymes Brothers, Inc., a Virginia corporation (“**Haymes**”); and

WHEREAS, Haymes has submitted Change Order 8, recommended by the Authority’s engineers, which accounts for the additional 3,905 cubic yards of undercut performed by Haymes for the pad expansion, increasing the contract price by \$46,860.00 (the “**Change Order 8 Amount**”), as more particularly described in **Exhibit A**, attached hereto and incorporated herein by this reference (“**Change Order 8**”); and

WHEREAS, the Authority has determined that Change Order 8 is reasonable, necessary and proper for the further development of SVM; and

WHEREAS, the Authority's Treasurer, as fiscal agent of the Authority, has determined that funding for the Change Order 8 Amount is within “**Lot 4 Site Development**”, a funding sheet under the budget previously approved by the Authority for this project for this purpose (funding source: Virginia Tobacco Region Revitalization Commission Grant No. 2491); and

WHEREAS, the Authority has determined that it is in the best interests of the Authority and of the citizens of Pittsylvania County, Virginia, and the City of Danville, Virginia, and in further development of SVM, for the Authority to accept Change Order 8.

NOW, THEREFORE, BE IT RESOLVED, that

1. The Authority does hereby approve the acceptance of Change Order 8, and hereby authorizes the Chairman or the Vice Chairman of the Authority, either of whom may act independently of the other, to execute and deliver Change Order 8 and any such other documents in connection with the acceptance of Change Order 8, with such amendments, deletions or additions thereto, so long as the price for Change Order 8 does

Resolution No. 2020-04-14-5C

not exceed five percent (5%) of the Change Order 8 Amount, and is supported under the Authority's budget as certified by the Authority's Treasurer, as may be approved by the Chairman or the Vice Chairman, such execution by the Chairman or the Vice Chairman to conclusively establish his approval of Change Order 8 or such other related documents and any amendments, deletions or additions thereto.

2. The Authority hereby authorizes and directs staff and other agents and representatives working on behalf of the Authority to take such actions and to do all such things as are contemplated by Change Order 8 or as they in their discretion deem necessary or appropriate in order to carry out the intent and purposes of these resolutions.

3. The Authority hereby approves, ratifies and confirms any and all actions previously taken by the Authority, its agents and representatives, in respect to Change Order 8 and the matters contemplated therein.

4. This Resolution shall take effect immediately upon its adoption.

-#-

CERTIFICATE

I, the undersigned Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority, hereby certify that the foregoing is a true, correct and complete copy of a Resolution duly adopted by a majority of the directors of the Danville-Pittsylvania Regional Industrial Facility Authority at a regular meeting duly called and held on April 14, 2020, and that such Resolution has not been repealed, revoked, rescinded or amended, but is in full force and effect on the date hereof.

WITNESS my hand as Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority this 14th day of April 2020.

(SEAL)

SUSAN M. DeMASI, Secretary
Danville-Pittsylvania Regional Industrial
Facility Authority

Exhibit A

(Change Order 8)

Date of Issuance: 03/25/2020

Effective Date: 3/25/19

Owner: Danville Pittsylvania County Regional Industrial
Facility Authority

Owner's Contract No.: 50018376

Contractor: Haymes Brothers, Inc.

Contractor's Project No.:

Engineer: Dewberry

Engineer's Project No.: 50018376

Project: Berry Hill Industrial Park

Contract Name: Phase 1 Development

The Contract is modified as follows upon execution of this Change Order:

Description: Change order number 8 is to cover additional undercut above the bid quantity

CHANGE IN CONTRACT PRICE	CHANGE IN CONTRACT TIMES <i>[note changes in Milestones if applicable]</i>
Original Contract Price: \$ 3,776,063.00	Original Contract Times: Substantial Completion: <u>330</u> Ready for Final Payment: <u>360</u> days or dates
Increase from previously approved Change Orders No. <u>1</u> to No. <u>7</u> : \$ 2,052,412.11	[Increase] [Decrease] from previously approved Change Orders No. <u>0</u> to No. <u>0</u> : Substantial Completion: <u>0</u> Ready for Final Payment: <u>0</u> days
Contract Price prior to this Change Order: \$ 5,828,475.11	Contract Times prior to this Change Order: Substantial Completion: <u>330</u> Ready for Final Payment: <u>360</u> days or dates
Increase of this Change Order: \$ 46,860.00	Increase of this Change Order: Substantial Completion: <u>180</u> Ready for Final Payment: <u>210</u> days or dates
Contract Price incorporating this Change Order: \$ 5,875,335.11	Contract Times with all approved Change Orders: Substantial Completion: <u>510</u> Ready for Final Payment: <u>540</u> days or dates

RECOMMENDED:
By: [Signature]
Engineer (if required)
Title: Senior Associate
Date: 3/30/2020

ACCEPTED:
By: _____
Owner (Authorized Signature)
Title: _____
Date: _____

ACCEPTED:
By: _____
Contractor (Authorized Signature)
Title: _____
Date: _____

Approved by Funding Agency (if
applicable)

By: _____
Title: _____

Date: _____



Change Order Request

Project: Berry Hill Industrial Park – Pad A Extension

C.O. Number: 08

From: Haymes Brothers, Inc.

To: Dewberry Engineers, Inc.

Date: March 18, 2020

Mr. Shawn Harden

Project Number: 50018376

Re: Undercut

As per our proposal dated July 12, 2019 and the information provided to us at the time of pricing this additional work, we assumed 5,815 Cubic Yards of Undercut and provide a Unit Price in our proposal of \$12.00 per Cubic Yard for any additional Undercut above and beyond the 5,815 Cubic Yards.

As of March 17, 2020 we have Undercut / disposed of 9,720 total Cubic Yards of Unsuitable Material therefore we are requesting a Change Order in the amount of \$46,860.00 to cover the additional 3,905 Cubic Yards of Undercut.

Undercut Unit Price: \$12.00

Additional Qty.: 3,905 C.Y.

Total Due: \$46,860.00

Signed by: Timothy D. Worley

Date: 3/18/2020

Response:

☐ Attachments

Response From:

To:

Date Rec'd:

Date Ret'd:

Signed by:

Date:

Copies: ☒ Owner

☐ Consultants

☐ _____

☐ _____

☐ _____

☐ _____

☐ File

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 5D
Meeting Date:	04/14/2020
Subject:	Resolution 2020-04-14-5D
From:	Michael C. Guanzon, Christian & Barton

SUMMARY

Attached for the Board's approval is Resolution 2020-04-14-5D, approving a one year lease renewal with the Osborne Company of North Carolina.

ATTACHMENTS

Resolution

Resolution No. 2020-04-14-5D

A RESOLUTION APPROVING A ONE-YEAR RENEWAL OF THE LEASE TO THE OSBORNE COMPANY OF NORTH CAROLINA, INC., A NORTH CAROLINA CORPORATION, OF APPROXIMATELY 100 ACRES OF PASTURELAND IN THE AUTHORITY'S SOUTHERN VIRGINIA MEGASITE AT BERRY HILL PROJECT (A PORTION OF GPINs 1366-78-4718 AND 1367-70-4519), COMMONLY KNOWN AS 4380 BERRY HILL ROAD, IN PITTSYLVANIA COUNTY, VIRGINIA; THE LEASE TERM SHALL BE SUBJECT TO A RIGHT OF LANDLORD TO SHOW THE DEMISED PREMISES UPON AT LEAST 24-HOURS NOTICE AND THE OBLIGATION OF TENANT TO KEEP THE IDENTITY OF ANY PROSPECTIVE BUSINESS RECRUITS CONFIDENTIAL UNTIL A PUBLIC ANNOUNCEMENT IS MADE, IF EVER, OR AS OTHERWISE REQUIRED BY LAW; THE AUTHORITY SHALL HAVE THE RIGHT TO EARLY TERMINATE THE LEASE WITH AT LEAST 30-DAYS NOTICE; AND THE LEASE SHALL BE FOR THE USE OF HARVESTING GRASS HAY AND INCIDENTAL USES ACCEPTABLE TO THE AUTHORITY, AT A TOTAL RENTAL FEE OF \$1,000.00

WHEREAS, the Danville-Pittsylvania Regional Industrial Facility Authority (the “**Authority**”) is a political subdivision of the Commonwealth of Virginia, duly created pursuant to the Virginia Regional Industrial Facilities Act, as amended; and

WHEREAS, The Osborne Company of North Carolina, Inc., a North Carolina corporation, entered into that certain Lease Agreement with the Authority, dated May 9, 2011, as amended and renewed (the “**Lease**”), for the lease of one hundred (100) acres, more or less, of pasture land in the Authority's Southern Virginia Megasite at Berry Hill project (formerly the Berry Hill Industrial Park) (a portion of GPINs 1366-78-4718 and 1367-70-4519), commonly known as 4380 Berry Hill Road, in Pittsylvania County, Virginia, for the use of harvesting grass hay and incidental uses acceptable to the Authority, which Lease was subsequently renewed by the parties, at a total rental fee of One Thousand Dollars (\$1,000); and

WHEREAS, the current term of the Lease expires on May 15, 2020; and

WHEREAS, the Authority has determined that it is in the best interests of the Authority and of the citizens of Pittsylvania County and the City of Danville, Virginia, for the Authority to enter into a one-year renewal of the Lease at a total rental fee of One Thousand and 00/100 Dollars (\$1,000), subject to (i) a 30-day right of early termination by the Authority, (ii) the right of the Authority upon at least twenty-four (24) hours’ notice to Tenant to enter upon and to show the demised premises to prospective business recruits, and (iii) Tenant’s agreement to keep in strictest confidence the identity of any such prospective business recruits until a public announcement is made by the Authority, if ever, or as otherwise required by law; and

WHEREAS, the terms of such proposed renewal are set forth in **Exhibit A**, attached hereto and incorporated herein by this reference (the “**Renewal**”); and

Resolution No. 2020-04-14-5D

WHEREAS, the Authority finds appropriate and proper that in the event both the Director of Economic Development for Pittsylvania County, Virginia, and the Director of Economic Development for the City of Danville, Virginia (collectively, the “**Authority Staff Leadership**”), recommend that the Lease be terminated early in order to facilitate the orderly and efficient development of the real property covered by the Lease, each of the Chairman and the Vice Chairman should be authorized to exercise the Authority’s right of early termination under the Lease.

NOW, THEREFORE, BE IT RESOLVED, that

1. The Authority hereby approves the Renewal as reviewed at this meeting, together with such amendments, deletions or additions thereto as may be approved by the Chairman or the Vice Chairman of the Authority, and hereby authorizes the Chairman and the Vice Chairman, either of whom may act independently of the other, to execute and deliver the Renewal on behalf of the Authority, such execution of the Renewal by the Chairman (or Vice Chairman as the case may be) to conclusively establish his approval of any amendments, deletions or additions thereto.

2. In the event that the Authority Staff Leadership recommends that the Lease be terminated early in order to facilitate the orderly and efficient development of the real property covered by the Lease, the Chairman and the Vice Chairman, either of whom may act independently of the other, are hereby authorized to exercise the Authority’s right of early termination under the Lease.

3. The Authority hereby authorizes and directs staff and other agents and representatives working on behalf of the Authority to take such actions and to do all such things as are contemplated by the Renewal, or as they in their discretion deem necessary or appropriate in order to carry out the intent and purposes of these resolutions.

4. The Authority hereby approves, ratifies and confirms any and all actions previously taken by the Authority, its agents and representatives, in respect to the Renewal and the matters contemplated therein.

5. This Resolution shall take effect immediately upon its adoption.

- # -

Resolution No. 2020-04-14-5D

CERTIFICATE

I, the undersigned Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority, hereby certify that the foregoing is a true, correct and complete copy of a Resolution duly adopted by a majority of the Directors of the Danville-Pittsylvania Regional Industrial Facility Authority at a regular meeting duly called and held on April 14, 2020, and that such Resolution has not been repealed, revoked, rescinded or amended, but is in full force and effect on the date hereof.

WITNESS my hand as Secretary of the Danville-Pittsylvania Regional Industrial Facility Authority this 14th day of April 2020.

(SEAL)

SUSAN M. DeMASI, Secretary
Danville-Pittsylvania Regional Industrial
Facility Authority

Exhibit A

THIS 2020 LEASE RENEWAL, made as of the 15th day of May 2020, by and between **DANVILLE-PITTSYLVANIA REGIONAL INDUSTRIAL FACILITY AUTHORITY**, a political subdivision of the Commonwealth of Virginia (“**Landlord**”); and **THE OSBORNE COMPANY OF NORTH CAROLINA, INC.**, a North Carolina corporation (“**Tenant**”);

W I T N E S S E T H :

WHEREAS, Landlord and Tenant entered into that certain Lease Agreement dated as of May 9, 2011 (the “**Lease**”), which has been subsequently renewed, for that certain real property located in Landlord’s Southern Virginia Megasite at Berry Hill project (formerly the Berry Hill Industrial Park) in Pittsylvania County, Virginia, containing an aggregate of 100 acres, more or less, commonly known as 4380 Berry Hill Road (a portion of GPINs 1366-78-4718 and 1367-70-4519); and

WHEREAS, Landlord and Tenant desire to renew the Lease for an additional one (1) year term, subject to an early termination right by Landlord, and provide for the payment of additional rent during such renewal term, all as set forth herein.

NOW, THEREFORE, for and in consideration of the mutual promises and covenants contained in this Lease, the parties agree as follows:

1. The “**Renewal Term**” shall be for a term of one (1) year beginning on May 15, 2020, and ending on May 15, 2021. The “**Term**” (as defined in the Lease) shall include the initial Term and any Renewal Term.
2. Prior to the end of the Renewal Term, Landlord shall have the right to terminate the Lease upon giving at least thirty (30) days prior written notice to Tenant, in which event Landlord shall reimburse Tenant for a pro rata portion of the Additional Rent (as hereafter defined) covering the period between the date of termination and May 15, 2021.
3. Tenant agrees to pay to Landlord as additional rent (“**Additional Rent**”) for the Renewal Term set forth herein the amount of One Thousand and 00/100 Dollars (\$1,000.00), due and payable on the first day of the Renewal Term set forth herein. The “**Base Rent**” (as defined in the Lease) shall include the Base Rent payable for the initial Term and any Additional Rent payable for any Renewal Term.
4. At any time during the Renewal Term, Landlord shall have the right, upon at least twenty-four (24) hours’ notice to Tenant (which can be by telephone or by e-mail), to enter upon and to show the demised premises to prospective business recruits (the “**Recruits**”).
5. Tenant agrees to keep in strictest confidence the identity of any Recruits until a public announcement is made by Landlord, if ever, or as otherwise required by law.
6. All other terms and conditions of the Lease not specifically changed herein shall remain in full force and effect.

[SIGNATURES ON FOLLOWING PAGE]

WITNESS the following signatures to this **2020 LEASE RENEWAL**:

LANDLORD:

**DANVILLE-PITTSYLVANIA REGIONAL
INDUSTRIAL FACILITY AUTHORITY**, a political
subdivision of the Commonwealth of Virginia

[DO NOT SIGN – EXHIBIT ONLY]

By: _____
Robert W. Warren, Chairman

TENANT:

**THE OSBORNE COMPANY OF NORTH
CAROLINA, INC.**, a North Carolina corporation

[DO NOT SIGN – EXHIBIT ONLY]

By: _____
Peter F. Osborne, President

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 5E
Meeting Date:	April 14, 2020
Subject:	Financial Status Reports – March 31, 2020
From:	Michael L. Adkins, Authority Treasurer

SUMMARY

A review of the financial status reports through March 31, 2020 will be provided at the meeting. The financial status reports as of March 31, 2020 are attached for the DPRIFA Board's review.

RECOMMENDATION

Staff recommends approving the financial status reports as of March 31, 2020 as presented.

ATTACHMENTS

Financial Status Reports

**Danville - Pittsylvania Regional Industrial Facility
Authority**

Financial Status

Table of Contents

- A. \$7.3 Million Bonds - Cane Creek Centre
- B. General Expenditures for FY2020
- C. SVMS at Berry Hill – Funding Other than Bond Funds
- D. SVMS at Berry Hill – Lot 4 Site Development
- E. SVMS at Berry Hill – Lot 8 Site Development
- F. SVMS at Berry Hill – Water & Sewer
- 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 March 31, 2020

	<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}		79,381.00	48,126.62	31,254.38	
Land		-	2,792,945.57	-	
Demolition services		71,261.62	71,261.62	-	
Legal fees		-	238,101.83	-	
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	\$ 4,318,640.12	\$ 7,537,111.28	\$ 31,254.38	\$ 10,216.46

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.

⁵ 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.

⁶ 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.

⁷ 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 2020

As of March 31, 2020

	<u>Funding</u>	<u>Budget</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
<i>Funding</i>					
City Contribution	\$ 25,000.00				
County Contribution	25,000.00				
Carryforward from FY2019	4,434.23				
Transfer from Unrestricted Fund Balance	200,000.00				
<i>Contingency</i>					
Miscellaneous contingency items		\$ 24,154.23	\$ 12,190.01	\$ -	\$ 11,964.22
<i>Total Contingency Budget</i>		24,154.23	12,190.01	-	11,964.22
<i>Legal</i>		200,000.00	121,417.34	-	78,582.66
<i>Accounting</i>		22,175.00	21,750.00	-	425.00
<i>Annual Bank Fees</i>		605.00		-	605.00
<i>Postage & Shipping</i>		100.00		-	100.00
<i>Meals</i>		4,000.00	2,867.18	-	1,132.82
<i>Utilities</i>		400.00	245.60	-	154.40
<i>Insurance</i>		3,000.00	2,337.00	-	663.00
<i>Total</i>	\$ 254,434.23	\$ 254,434.23	\$ 160,807.13	\$ -	<u>\$ 93,627.10</u>

Danville-Pittsylvania Regional Industrial Facility Authority
Southern Virginia Megasite at Berry Hill - Funding Other than Bond Funds
As of March 31, 2020

	<u>Funding</u>	<u>Budget / Contract Amount</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
Funding					
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				
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)		784,500.00	160,500.00	624,000.00	
Dewberry Engineers		78,950.00	66,525.00	12,425.00	
Appalachian Power Company		1,655,000.00	380,000.00	1,275,000.00	
Banister Bend Farm, LLC		-	199,064.00	-	
Transfer available funds to "Berry Hill Mega Park - Lot 4 Site Development" Project ⁸		-	11,203.15	-	
Total	\$ 17,931,524.83	\$ 17,539,844.58	\$ 15,824,512.87	\$ 1,914,395.71	\$ 192,616.25

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 - Lot 4 Site Development
As of March 31, 2020

	<u>Funding</u>	<u>Budget / Contract Amount</u>	<u>Expenditures</u>	<u>Encumbered</u>	<u>Unexpended / Unencumbered</u>
Funding					
Tobacco Commission FY12 Megasite Allocation	\$ 6,208,153.00				
Local Match for TIC FY12 Megasite Allocation - County Portion ¹	750,000.00				
Local Match for TIC FY12 Megasite Allocation - City Portion ¹	750,000.00				
Local Match for TIC FY12 Megasite Allocation - RIFA Portion ²	181,000.00				
Transfer in from "Mega Park - Funding Other than Bond Funds" Budget ³	11,203.15				
Expenditures					
Dewberry Engineers Inc.		1,707,562.81	1,631,512.81	53,524.70	
Jones Lang LaSalle		95,000.00	95,000.00	-	
Jones Lang LaSalle - Economic Analysis		12,000.00	12,000.00	-	
VA Water Protection Permit Fee		57,840.00	57,840.00	-	
Wetlands Studies and Solutions, Inc.		77,027.64	77,027.64	-	
Banister Bend Farm, LLC - Wetland and Stream Credits		122,968.00	122,968.00	-	
DEQ - Construction Activity General Permit		11,860.00	11,860.00	-	
Haymes Brothers, Inc. - Construction on Phase 1 Graded Pad		4,250,475.11	4,243,151.21	7,323.90	
Haymes Brothers, Inc. - Phase 1 Pad A Extension/Expansion		1,578,000.00	286,000.94	1,291,999.06	
Transfers to "General Expenditures Fiscal Year 2015" Contingency ³					
Jones Lang LaSalle - Market Analysis Study		(95,000.00)	(95,000.00)	-	
Jones Lang LaSalle - Economic Analysis		(12,000.00)	(12,000.00)	-	
Total	\$ 7,900,356.15	\$ 7,805,733.56	\$ 6,430,360.60	\$ 1,352,847.66	\$ <u>117,147.89</u>

¹ \$300,000 of this was received from each locality 6-2014. \$450,000 received 8-2014. \$450,000 received 9-2014.

² The RIFA Board approved on 2/11/2013 to transfer the remaining funds of \$175,316.17 from the "Funds Available for Appropriation" budget sheet and funds of \$5,683.83 from the "Rent, Interest, and Other Income Realized" budget sheet to use for the RIFA local match to Tobacco Commission grant #2491 for Berry Hill Mega Park Lot 4 Site Development.

³ As approved by RIFA Board on 10/16/2014 (\$108,603.35 of expenditures for Dewberry Engineers, Inc. was also transferred from remaining unexpended and unencumbered costs under Amendment #4)

Danville-Pittsylvania Regional Industrial Facility Authority

Southern Virginia Megasite at Berry Hill - Lot 8 Site Development

As of March 31, 2020

	<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 for Project Lignum</i>					
Tobacco Commission Grant	\$ 2,624,800.00				
<i>Expenditures</i>					
Dewberry Engineers Inc.		89,300.00	82,800.00	6,500.00	
<i>Total</i>	\$ 2,624,800.00	\$ 89,300.00	\$ 82,800.00	\$ 6,500.00	<u>\$ 2,535,500.00</u>

Danville-Pittsylvania Regional Industrial Facility Authority

Southern Virginia Megasite at Berry Hill - Water & Sewer

As of March 31, 2020

	<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	\$ 4,908,240.00				
Local Match for Contractual Services	282,400.00				
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				
Expenditures					
Dewberry Engineers Inc.		440,210.31	393,925.31	46,285.00	
Haymes Brothers, Inc. - Phase I Sanitary Sewer		5,092,668.30	5,092,668.30	-	
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	\$ 7,919,327.00	\$ 7,413,989.61	\$ 6,474,729.86	\$ 939,259.75	\$ 505,337.39

Danville-Pittsylvania Regional Industrial Facility Authority

Rent, Interest, and Other Income Realized for Fiscal Year 2020

As of March 31, 2020

Source of Funds	Funding		Receipts FY2020	Expenditures FY2020	Unexpended / Unencumbered
	<u>Carryforward from FY2019</u>	<u>Receipts Current Month</u>			
<u>Carryforward</u>	\$ 726,050.44				
<u>Current Lessees</u>					
Institute for Advanced Learning and Research (IALR) ¹		\$ 50,825.00	\$ 228,712.50		
Mountain View Farms of Virginia, L.C.			1,200.00		
Capital Outdoor, Inc.			2,000.00		
<u>Total Rent</u>		\$ 50,825.00	\$ 231,912.50		
<u>Interest Received</u> ²		\$ 679.87	\$ 4,575.19		
<u>Miscellaneous Income</u>		\$ -	\$ 871,056.66		
Expenditures					
Hawkins Research Bldg. Property Mgmt. Fee				\$ 203,300.00	
Transfer to General Expenditures budget				\$ 200,000.00	
Disbursements for Gerfertec incentives				\$ 25,376.00	
Disbursements for Harlow Fastech incentives				\$ 305,598.20	
Refunded fees				\$ 10,000.00	
Totals	\$ 726,050.44	\$ 51,504.87	\$ 1,107,544.35	\$ 744,274.20	\$ 1,089,320.59
				Restricted ¹	\$ 339,107.56
				Unrestricted	\$ 243,811.23
				Committed	\$ 506,401.80

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
March 2020

Check Number	Date	Vendor Name	Paid Amount
WIRE	03/26/2020	City of Danville, VA	30.70
2316	03/09/2020	IALR	25,412.50
2317	03/09/2020	IALR	310.87
2318	03/09/2020	Dewberry Engineers Inc.	77,645.00
2319	03/09/2020	Haymes Brothers, Inc	286,000.94
2320	03/09/2020	Power Signs	950.00

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Net Position ^{1, 2}
March 31, 2020*

	Unaudited FY 2020
Assets	
<u>Current assets</u>	
Cash - checking	\$ 500,246
Cash - money market	805,067
<i>Total current assets</i>	<u>1,305,313</u>
<u>Noncurrent assets</u>	
Restricted cash - project fund CCC bonds	47,971
Restricted cash - debt service fund CCC bonds	37,188
Capital assets not being depreciated	23,832,535
Capital assets being depreciated, net	22,505,505
Construction in progress	14,628,421
<i>Total noncurrent assets</i>	<u>61,051,620</u>
Total assets	<u>62,356,933</u>
Liabilities	
<u>Current liabilities</u>	
Unearned income	600
Bonds payable - current portion	444,740
<i>Total current liabilities</i>	<u>445,340</u>
<u>Noncurrent liabilities</u>	
Bonds payable - less current portion	1,675,000
<i>Total noncurrent liabilities</i>	<u>1,675,000</u>
Total liabilities	<u>2,120,340</u>
Net Position	
Net investment in capital assets	58,894,692
Restricted - debt reserves	37,188
Unrestricted	1,304,713
Total net position	<u>\$ 60,236,593</u>

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
March 31, 2020*

	Unaudited FY 2020
Operating revenues	
Virginia Tobacco Commission Grants	1,111,722
Rental income	232,788
Other Income	777,799
Total operating revenues	<u>2,122,309</u>
Operating expenses⁴	
Mega Park expenses ³	2,818,072
Cane Creek Centre expenses ³	61,488
Cyber Park expenses ³	535,913
Professional fees	84,962
Other operating expenses	31,066
Total operating expenses	<u>3,531,501</u>
Operating income (loss)	<u>(1,409,192)</u>
Non-operating revenues (expenses)	
Interest income	10,261
Interest expense	(50,087)
Total non-operating expenses, net	<u>(39,826)</u>
Net income (loss) before capital contributions	<u>(1,449,018)</u>
Capital contributions	
Contribution - City of Danville	894,760
Contribution - Pittsylvania County	394,760
Total capital contributions	<u>1,289,520</u>
Change in net position	<u>(159,498)</u>
Net position at July 1, 2019	<u>60,396,091</u>
Net position at March 31, 2020	<u><u>\$ 60,236,593</u></u>

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.

Danville-Pittsylvania Regional Industrial Facility Authority
Statement of Cash Flows
March 31, 2020*

	Unaudited FY 2020
Operating activities	
Receipts from grant reimbursement requests	\$ 1,111,722
Receipts from leases	229,911
Other receipts	777,382
Payments to suppliers for goods and services	(3,723,986)
Net cash used by operating activities	(1,604,971)
Capital and related financing activities	
Capital contributions	1,289,520
Interest paid on bonds	(69,066)
Principal repayments on bonds	(1,350,000)
Net cash provided by capital and related financing activities	(129,546)
Investing activities	
Interest received	10,261
Net cash provided by investing activities	10,261
Net increase (decrease) in cash and cash equivalents	(1,724,256)
Cash and cash equivalents - beginning of year (including restricted cash)	3,114,728
Cash and cash equivalents - through March 31, 2020 (including restricted cash)	\$ 1,390,472
Reconciliation of operating loss before capital contributions to net cash used by operating activities:	
Operating income (loss)	\$ (1,409,192)
Changes in assets and liabilities:	
Change in prepaids	254
Change in accounts payable	(192,741)
Change in unearned income	(3,292)
Net cash used by operating activities	\$ (1,604,971)

Components of cash and cash equivalents at March 31, 2020:

American National - Checking	\$ 500,246
American National - General money market	805,067
Wells Fargo - \$7.3M Bonds CCC Debt service fund	37,188
Wells Fargo - \$7.3M Bonds CCC Project fund	47,971
	\$ 1,390,472

Danville-Pittsylvania Regional Industrial Facility Authority

Executive Summary

Agenda Item No.:	Item 6ABCD
Meeting Date:	04/14/2020
Subject:	Closed Session
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;
- 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.
- D. As permitted by Virginia Code § 2.2-3711(A)(8) for consultation with Mr. Guanzon as legal counsel employed or retained by the Authority regarding specific legal matters requiring the provision of legal advice by him.
- E. Reinstatement/Unmuting of Conference Line [see Agenda Item 5E above].
- 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 7
Meeting Date:	04/14/2020
Subject:	Communications
From:	Board Members and Staff

A. Authority Board Members

B. Staff

i. COVID-19 and Meeting Logistics – Mr. Guanzon