



DANVILLE CITY COUNCIL REGULAR MEETING AGENDA

MUNICIPAL BUILDING

June 16, 2026

7:00 PM

PRESIDING: Alonzo L. Jones, Mayor

CITY COUNCIL MEMBERS: James B. Buckner, Vice Mayor
L.G. "Larry" Campbell, Jr.
Bryant Hood
Daniel W. Marshall, III

Barry P. Mayo
Dr. Gary P. Miller
Sherman M. Saunders
J. Lee Vogler, Jr.,

STAFF: Ken F. Larking, City Manager
Earl B. Reynolds, Jr., Deputy City Manager

W. Clarke Whitfield, Jr., City Attorney
Susan M. DeMasi, City Clerk

The City Council is the City of Danville's legislative body and is composed of nine Council members. Council members are elected to serve a four year term of office and elects one of its own to serve as Mayor and presiding officer for a two year term.

Time and Place of Meeting

The public is invited and encouraged to attend and participate in the City Council meetings. The City Council meets in the City Hall, Fourth Floor, Council Chambers at 7:00 p.m. on the first and third Tuesday of each month. All meetings of the Council are open to the public.

Communications from Visitors

Communication from Visitors is an opportunity for citizens, who have signed up to speak at www.danvilleva.gov/council or by contacting the Office of the City Clerk, to address Council on matters not on the agenda. Citizens who desire to speak on agenda items will be heard when the agenda item is considered. Each speaker shall clearly state his or her name and address, and shall have three uninterrupted minutes. A representative of a group may have up to five uninterrupted minutes to make a presentation. The representative shall identify the group and a group may have no more than one spokesperson. Time will be kept using the electronic timer on the podium.

Guidelines for Public Hearings

For Public Hearings the applicant or his or her representative shall be the first speaker(s). There shall be a time limit of ten (10) minutes for the applicant's or his or her representative's presentation. The presiding officer shall then solicit comments from the public, asking those in favor of the proposal to speak first, and then those opposed to the proposal. Each speaker must clearly state his or her name and address. There shall be a time limit of three (3) minutes for each individual speaker. If the speaker represents a group, there shall be a time limit of five (5) minutes. A speaker representing a group shall identify the group at the beginning of his or her remarks. A group may have no more than one spokesperson. The presiding officer may limit or preclude comment which is repetitive, redundant, cumulative, or irrelevant to the subject of the public hearing. After public comments have been received, in a land use case, the applicant or the representative of the applicant, at his or her discretion, may respond with a rebuttal. There shall be a five (5) minute time limit for rebuttal.

MEETING CALLED TO ORDER

ROLL CALL

INVOCATION - SHERMAN M. SAUNDERS

PLEDGE OF ALLEGIANCE TO THE FLAG

ANNOUNCEMENTS AND SPECIAL RECOGNITION

CONSENT AGENDA

All matters listed under the Consent Agenda are considered to be routine, have previously been discussed by City Council and/or introduced for First Reading. There will be no separate discussion on these items and they will be enacted by one motion. If discussion is desired by a Council Member or a citizen, the item(s) will be removed from the consent process and considered separately.

PUBLIC HEARING

- A. Consideration of Approval of Minutes from Regular Council Meeting held on May 19, 2026.
- B. Consideration of Amending the Fiscal Year 2026 Budget Appropriation Ordinance by Increasing Revenues from Casino Gaming Taxes to Fund a Reimbursement to Danville Utilities.
Council Letter Number CL - 2732.
- An Ordinance of the Council of the City of Danville, Virginia Amending the Fiscal Year 2026 Budget Appropriation Ordinance by Increasing Revenues from the Casino Gaming Taxes to Fund a Reimbursement to Danville Utilities for an Appropriation in the Amount of \$4,700,000 and Appropriating the Same.
Final Adoption
- C. Consideration of Amending the Fiscal Year 2026 Budget Appropriation Ordinance for a Grant from the Virginia Tourism Corporation Marketing Leverage Program.
Council Letter Number CL - 2748.
- An Ordinance of the Council of the City of Danville, Virginia Amending the Fiscal Year 2026 Budget Appropriation Ordinance to Provide for a Virginia Tourism Corporation Marketing Leverage Program Grant in the Amount of \$30,000, and to Provide for the Local Share in the Amount of \$60,000 for a Total Grant of \$90,000 and Appropriating the Same.
Final Adoption

APPOINTMENTS

- A. Consideration of an Appointment to the Danville Community Policy and Management Team.
Council Letter Number CL - 2825.
1. A Resolution Appointing Kathleen Mullin to the Danville Community Policy and Management Team as the Juvenile Court Services Representative.

OLD BUSINESS

- A. Consideration of the City of Danville Budget, Capital and Special Projects Plan, and Budget Appropriation Ordinance.
Council Letter Number CL - 2755.

1. A Resolution of the Council of the City of Danville, Virginia Approving the Budgets of the Various Funds of the City of Danville for the Fiscal Year Ending June 30, 2027.

Final Adoption

2. A Resolution of the Council of the City of Danville, Virginia Approving the Fiscal Year 2027 Capital and Special Projects Plan for the City of Danville, Virginia.

Final Adoption

3. An Ordinance of the Council of the City of Danville, Virginia Approving the Budget Appropriation for Fiscal Year 2027.

Final Adoption

- B. Consideration of a Personal Property Tax Decrease.

Council Letter Number CL - 2701.

An Ordinance of the Council of the City of Danville, Virginia Amending and Reordaining Section 37-30 of the Danville City Code to Decrease the Personal Property Tax from \$3.45 per \$100 of Assessed Value to \$3.35 per \$100 of Assessed Value Effective January 1, 2027.

Final Adoption

- C. Consideration of Eliminating the Vehicle License Fee Effective January 1, 2027.

Council Letter Number CL - 2801.

An Ordinance of the Council of the City of Danville, Virginia Eliminating the Vehicle License Fee of the City of Danville, Virginia Effective January 1, 2027.

Final Adoption

NEW BUSINESS

- A. Review of General Fund Financials as of May 31, 2026.

Council Letter Number CL - 2759.

Review of General Fund Financials as of May 31, 2026. Financial Statements are included.

- B. Consideration of an Airport Land Lease Agreement.

Council Letter Number CL - 2740.

1. Public Hearing

2. A Resolution of the Council of the City of Danville, Virginia Approving a Request from the Air Methods Corporation for the City of Danville to Enter into a Land Lease Agreement to Construct a Modular Building at the Danville Regional Airport to Support Air Ambulance Operations.

- C. Consideration of a Stadium Lease and Use Agreement with Danville Baseball Club, LLC.

Council Letter Number CL - 2817.

1. Public Hearing

2. A Resolution of the Council of the City of Danville, Virginia Authorizing and Approving a Stadium Lease and Use Agreement with Danville Baseball Club, LLC

- D. Consideration of Approval of an Amendment to a Lease Agreement with 530 Main Street LLC.

Council Letter Number CL - 2783.

1. Public Hearing

2. A Resolution of the Council of the City of Danville, Virginia Authorizing and Approving

the Renewal of the Lease Agreement at 530 Main Street with 530 Main, LLC for use by the City's Registrar.

- E. Consideration of Fiscal Year 2027 Public Transportation Funding.
Council Letter Number CL - 2779.

1. Public Hearing
2. A Resolution of the Council of the City of Danville, Virginia Authorizing an Application by the City to the Virginia Department of Rail and Public Transportation for Grants for Operating and Capital Costs for Public Transportation for Fiscal Year 2027.

- F. Consideration of a Resolution of Support for Smart Scale Applications.
Council Letter Number CL - 2773.

A Resolution of the Council of the City of Danville, Virginia Endorsing Smart Scale Applications by the City of Danville, Virginia to the Virginia Department of Transportation for Transportation Improvement Projects.

- G. Consideration of an Agreement with Southwestern Virginia Gas for Natural Gas Service to the Southern Virginia Megasite.
Council Letter Number CL - 2812.

A Resolution of the Council of the City of Danville, Virginia, Authorizing the City Manager to Execute an Agreement with Southwestern Virginia Gas Company for the Construction and Operation of Natural Gas Line Extension to the Berry Hill Megasite.

- H. Consideration of Amending Article IV, Entitled "Real Estate and Mobile Home Tax Exemption and Deferral for Certain Elderly and Disabled Persons," of the Danville City Code to Allow for Revisions to the Real Estate Exemption and Deferral Program.
Council Letter Number CL - 2811.

1. Public Hearing
2. An Ordinance of the Council of the City of Danville, Virginia Amending Article IV, entitled "Real Estate and Mobile Home Tax Exemption and Deferral for Certain Elderly and Disabled Persons," of Chapter 37, Entitled "Taxation," of the Danville City Code to Allow for Revisions to the Real Estate Exemption and Deferral Program.
First Reading

- I. Consideration of Fee Change Reducing the Curbside Recycling Fee.
Council Letter Number CL - 2822.

An Ordinance of the Council of the City of Danville, Virginia Amending and Establishing Certain City of Danville Public Works Department Sanitation Fees Effective July 1, 2026.
First Reading

- J. Consideration of Amending the Fiscal Year 2027 Budget Appropriation Ordinance for an Airport Maintenance Grant.
Council Letter Number CL - 2777.

An Ordinance of the Council of the City of Danville, Virginia Amending the Fiscal Year 2027 Budget Appropriation Ordinance to Provide for State Department of Aviation Maintenance Grant Funds Related to the Maintenance of Certain Airport Properties in the Amount of \$100,000 and for the Local Share in the Amount of \$45,000 for a Total Appropriation of \$145,000 and Appropriating the Same.
First Reading

- K. Consideration of Amending the Fiscal Year 2026 Budget Appropriation Ordinance for a Grant

from the U.S. Department of Housing and Urban Development.
Council Letter Number CL - 2782.

An Ordinance of the Council of the City of Danville, Virginia Amending the Fiscal Year 2026 Budget Appropriation Ordinance to Provide for a U.S. Department of Housing and Urban Development EDI- CPF Award Related to the Rehabilitation of 351 Holbrook Street in the Amount of \$1,742,000 and Appropriating the Same.

First Reading

COMMUNICATIONS FROM VISITORS

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COMMUNICATIONS

A. City Manager

B. Deputy City Manager

C. Assistant City Manager Adkins

D. Assistant City Manager Evans

E. City Attorney

F. City Clerk

G. Roll Call

ADJOURNMENT

Council Letter
City of Danville, Virginia



CL - 2802

CONSENT AGENDA A.

City Council REGULAR MEETING

Meeting Date: June 16, 2026

Subject: Approval of Meeting Minutes

From: Susan DeMasi, City Clerk

COUNCIL ACTION

Consideration of Approval of Minutes from Regular Council Meeting held on May 19, 2026.

Attachments

1. Meeting Minutes
-

May 19, 2026

The Second May meeting of the Danville City Council was held on May 19, 2026, at 7:00 p.m. in the Council Chambers located on the Fourth Floor of the Municipal Building, 427 Patton Street, Danville, Virginia. The following Council Members were present: Vice Mayor James B. Buckner, L.G. "Larry" Campbell Jr., Bryant Hood, Mayor Alonzo L. Jones, Daniel W. Marshall, Barry P. Mayo, Gary P. Miller, Sherman M. Saunders, and J. Lee Vogler, Jr. (9).

Staff Members present were: City Manager Ken Larking, Deputy City Manager Earl B. Reynolds, Jr., Assistant City Manager/CFO Michael Adkins, Assistant City Manager Briana Evans, City Attorney W. Clarke Whitfield, Jr., and City Clerk Susan M. DeMasi.

Mayor Jones presided.

INVOCATION AND PLEDGE OF ALLEGIANCE

Council Member Daniel W. Marshall gave the Invocation followed by the Pledge of Allegiance.

Mayor Jones recognized the Council Members who serve on the Danville-Pittsylvania Regional Industrial Facility Authority, Council Member Sherman Saunders, Council Member Lee Vogler and Council Member Gary Miller. Council Member Saunders, the Vice Chairman of RIFA discussed the work of the RIFA Board and staff, and the development of the Southern Virginia Megasite. Mr. Saunders thanked Council, the Board of Supervisors and the citizens of the City and region whose support has made it possible to take a long-term approach to economic development. The development agreement with STACK Infrastructure that was unanimously approved by the Board of RIFA, represents a once in a generation opportunity for Southern Virginia. It includes a planned investment of up to \$100B over time and at least 2,500 high quality jobs, with the average wage of \$80,000 annually. The project was expected to generate billions in local revenue, helping support schools, infrastructure and essential services. The Megasite was designed for exactly this type of opportunity, large-scale advanced industrial. It also builds on the recent success of Microporous. This moment reflects years of preparation and collaboration across jurisdictions. It shows what can happen when a region commits to sharing vision and staying the course. More importantly, it creates opportunities for our residents, our workforce and future generations. The work isn't done, but today we can say with confidence, this region's strategy is working. This new opportunity comes with a shared responsibility to manage the benefits and challenges the same way we made it possible to have this transformational economic development project. We must be thoughtful about making strategic investment in our community so that everyone has an opportunity to benefit from the growth that was coming to Danville. Mr. Saunders noted a special thanks to the City Manager, his staff, their regional partners in Pittsylvania County, to Mr. Marshall and the Tobacco Commission and their investment and to everyone for the progress that we have made and will continue to make in the City and the region.

City Manager Ken Larking noted he would like to echo a point that Mr. Saunders made, an announcement like this happens because the entire team and all the partners made it possible. It was also important to note that it absolutely cannot happen without City Council making tough and sometimes unpopular decisions to invest in property acquisitions, infrastructure and site development. Based on the projected timeline of this project, STACK Infrastructure at the Megasite, the community can expect local revenue of about \$2.4B over a twenty year period, which will be evenly split between the City and the County because of the partnership with Pittsylvania County. This includes the purchase of property, the full build out of all three phases, and the tax revenue that will be generated if all three phases occur. If built as planned, on average, this was about \$60M per year or roughly one and a half times what Danville expects to receive from gaming revenue and supplemental payments from Caesars in the upcoming budget.

May 19, 2026

However, the annual revenue will fluctuate significantly based on the ramp up schedule and computer equipment replacement rates; there will be ups and downs. These revenues can be used to further support schools, infrastructure, economic development, quality of life initiatives and central services. The fact that the revenue streams will fluctuate from year to year makes it important to be strategic about the investments. Mr. Larking noted he would recommend following the Investing in Danville model which was aimed at directing funding into projects that will produce long-term and sustainable benefits for our residents and the community. It is our intention to be mindful of the concerns expressed regarding this type of development. The community has sufficient water capacity to serve the project. The company will pay for any expansion to infrastructure needed to serve the project. The project is required to adhere to strict environmental standards. RIFA approved the business points on Monday that include no discretionary local incentives being offered to the company. The agreement will have clear, enforceable, performance requirements tied to jobs and investment. The agreement will include guaranteed minimum tax payments that grow as the project expands. There were a lot of reasons to be excited about the project. It was important to keep in mind that STACK Infrastructure has until June 9, 2027 to purchase the first phase of the property and that several important conditions must be met for that sale to occur. Some of those conditions were within our control such as the Local Performance Agreement which the business terms were approved by RIFA on Monday. Some are outside our control, and we will continue to do what we can to help make those outside our control a reality so that this project can move forward.

Council Members noted it was a great day for the City and the region.

CONSENT AGENDA

Mayor Jones opened the floor for a Public Hearing regarding Budget Items on the Consent Agenda. Notice of the Public Hearing was published in the *Danville Register & Bee* on May 12, 2026. No one present desired to be heard and the Public Hearing was closed.

Council Member Campbell **moved** for approval of the following Consent Agenda Items:

Approval of Minutes from the Regular Council Meeting held on April 21, 2026. Draft copies of the minutes had been distributed prior to the meeting.

Consideration of Amending the Fiscal Year 2026 Budget Appropriation Ordinance for the Recreation Enrichment Program

An Ordinance Entitled, Ordinance No. 2026-05.07, an Ordinance of the Council of the City of Danville, Virginia Amending the Fiscal Year 2026 Budget Appropriation Ordinance to Provide for Funds in the Amount of \$69,625 for a Recreation Enrichment Program and the Local In-Kind Share of \$306,223 for a Total Appropriation of \$375,848 and Appropriation of Same.

Consideration of Amending the Fiscal Year 2026 Budget Appropriation Ordinance for a Grant from the Virginia Housing Workforce Housing Investment Program

An Ordinance Entitled, Ordinance No. 2026-05.08, an Ordinance of the Council of the City of Danville, Virginia Amending the Fiscal Year 2026 Budget Appropriation Ordinance to Provide for a Grant from Virginia Housing in the Amount of \$2,000,000 for the Purpose of Developing 1700 West Main Street and Appropriating the Same.

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

May 19, 2026

VOTE: 9-0
AYE: Buckner, Campbell, Hood, Jones, Marshall
Mayo, Miller, Saunders and Vogler (9)
NAY: None (0)

OLD BUSINESS

Consideration of the Fiscal Year 2027 Danville Public Schools Budget.

Council Member Saunders **moved** for adoption of a Resolution entitled:

RESOLUTION NO. 2026-05.07

A RESOLUTION OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA APPROVING THE BUDGET OF THE SCHOOL BOARD OF THE CITY OF DANVILLE FOR THE FISCAL YEAR ENDING JUNE 30, 2027.

The Motion was **seconded** by Vice Mayor Buckner and carried by the following vote:

VOTE: 9-0
AYE: Buckner, Campbell, Hood, Jones, Marshall
Mayo, Miller, Saunders and Vogler (9)
NAY: None (0)

Consideration of Fee Changes Effective July 1, 2026

Vice Mayor Buckner **moved** for adoption of an Ordinance entitled:

ORDINANCE NO. 2026-05.05

AN ORDINANCE OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA AMENDING, ESTABLISHING AND INCREASING CERTAIN FEES OF THE CITY OF DANVILLE EFFECTIVE JULY 1, 2026, EXCEPT WHERE OTHERWISE STATED.

The Motion was **seconded** by Council Member Mayo.

Council Member Vogler requested three fee changes be pulled from the Ordinance and voted on separately, including a fee change eliminating the incident report fee, a fee reducing underground boring fee, and a fee reducing the land disturbance permit fee.

The **Motion** for Fee Changes, excluding those pulled by Council Member Vogler was carried by the following vote:

VOTE: 7-2
AYE: Buckner, Hood, Jones, Marshall
Mayo, Miller, and Saunders (7)
NAY: Campbell, Vogler (2)

Consideration of a Fee Change Eliminating the Incident Report Fee

Council Member Vogler **moved** for adoption of an Ordinance entitled:

May 19, 2026

ORDINANCE NO. 2026-05-05A

AN ORDINANCE OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA AMENDING, ESTABLISHING AND INCREASING CERTAIN FEES OF THE CITY OF DANVILLE EFFECTIVE JULY 1, 2026, EXCEPT WHERE OTHERWISE STATED – ELIMINATING THE INCIDENT REPORT FEE IN THE POLICE DEPARTMENT

The Motion was **seconded** by Vice Mayor Buckner and carried by the following vote:

VOTE: 9-0
AYE: Buckner, Campbell, Hood, Jones, Marshall
Mayo, Miller, Saunders and Vogler (9)
NAY: None (0)

Consideration of a Fee Change Reducing the Underground Borings Fee

Council Member Vogler **moved** for adoption of an Ordinance entitled:

ORDINANCE NO. 2026-05-05B

AN ORDINANCE OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA AMENDING, ESTABLISHING AND INCREASING CERTAIN FEES OF THE CITY OF DANVILLE EFFECTIVE JULY 1, 2026, EXCEPT WHERE OTHERWISE STATED – REDUCING EXCAVATION PERMIT FEES: UNDERGROUND BORINGS IN THE PUBLIC WORKS DEPARTMENT

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

VOTE: 9-0
AYE: Buckner, Campbell, Hood, Jones, Marshall
Mayo, Miller, Saunders and Vogler (9)
NAY: None (0)

Consideration of a Fee Change Reducing the Land Disturbance Permit Fee

Council Member Vogler **moved** for adoption of an Ordinance entitled:

ORDINANCE NO. 2026-05-5C

AN ORDINANCE OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA AMENDING, ESTABLISHING AND INCREASING CERTAIN FEES OF THE CITY OF DANVILLE EFFECTIVE JULY 1, 2026, EXCEPT WHERE OTHERWISE STATED – REDUCING THE LAND DISTURBANCE PERMIT FEE

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

VOTE: 9-0
AYE: Buckner, Campbell, Hood, Jones, Marshall
Mayo, Miller, Saunders and Vogler (9)
NAY: None (0)

May 19, 2026

Consideration of a Data Center Tax Increase

Vice Mayor Buckner **moved** for adoption of an Ordinance entitled:

ORDINANCE NO. 2026-05.06

AN ORDINANCE OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA AMENDING AND REORDAINING SECTION 37-37 OF THE DANVILLE CITY CODE TO INCREASE THE DATA CENTER TAX RATE FROM \$0.25 (TWENTY-FIVE CENTS) ON EVERY \$100 (ONE HUNDRED DOLLARS) OF ASSESSED VALUE TO \$1.20 (ONE DOLLAR AND TWENTY CENTS) ON EVERY \$100 (ONE HUNDRED DOLLARS) OF ASSESSED VALUE EFFECTIVE JULY 1, 2026.

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

VOTE: 9-0
AYE: Buckner, Campbell, Hood, Jones, Marshall
Mayo, Miller, Saunders and Vogler (9)
NAY: None (0)

NEW BUSINESS

REVIEW OF GENERAL FUND FINANCIALS AS OF APRIL 30, 2026

Assistant City Manager/Chief Financial Officer Michael Adkins gave the Financial Report through the end of April, the tenth month of the fiscal year, and of 83% of the fiscal year complete. Total Revenues collected as of the end of April were \$137M, representing 74% of budget and about where the City finds itself at the end of April. The spring bills for Property Taxes went out earlier this month and were due on June 5th, he will be able to talk more about that in the coming months. Looking at delinquent collections, real estate has already nearly met budget with about \$28,000 left to collect over the next couple of months to meet the \$1.1M budget for that item. Mr. Adkins noted he felt they will exceed that by about \$50,000 by the end of the year. With regard to Delinquent Personal Property taxes, the City already exceeded budget by \$22,000 at the end of April. As mentioned in the past, Sales Tax has been sluggish this year compared to budget, they were at 77% of budget at the end of April, about \$910,000 short of budget at this point. Retail does slow down in the winter, and looking at collections for the coming month, they did have a strong May collection which represents March retail activity, that was \$1.2M. That will help close that gap to about to about \$875,000 by the end of next month. Hopefully, that pattern will continue and the deficit will be a little less by the time they get to the end of the year. Meals tax was at 82% of budget, \$11.4M collected out of the \$13.9M budgeted; that should meet budget by the end of June. Lodging taxes were at 81% of budget; this was short by \$80,000 from where the City should be to meet budget, but believed they will see additional activity over the last few months of the year to close that close to budget. Business Licenses were at 79% of budget, they were still expecting one large payment from a corporate organization and that will bring the City to 92% of budget by the end of this month. They do have an additional 107 additional business licenses this year through the end of April compared to last year. As mentioned in the past, Casino revenues have been strong; currently the budget was \$37M for this fiscal year. If the May and June casino operations were the same as April, they can expect that total to be \$42.7M for the year; about a \$5.7M overage of where they were budgeted right now. Interest and Investment Income, with the Federal Reserve holding the interest rates steady for this year, has outperformed budgeted expectations. The City was at \$450,000 over budget at the end of April and expect that

May 19, 2026

line item to be about \$800,000 over budget by the end of June. That should offset the lack of sales tax this year. State and Federal revenues were on track with budgeted expectations.

On the Expenditure side, Departmental Expenses were at 76% of budget at the end of April, very much contained for the year. The other item they consistently look at every month was the group health insurance costs, that was on the Non-Departmental Expense and was currently right on target at 83% of budget. There were no concerns there.

As they approach the end of the fiscal year, they will have some additional financial information to share in the next reports.

CONSIDERATION OF THE REAL ESTATE TAX RATE

Mayor Jones opened the floor for a Public Hearing regarding the Effective Tax Rate. Notice of the Public Hearing was published in the *Danville Register & Bee* on April 14, 2026 and April 16, 2026. No one present desired to be heard and the public hearing was closed.

Upon **Motion** by Vice Mayor Buckner and **second** by Council Member Mayo an Ordinance entitled:

ORDINANCE NO. 2026-05.09

AN ORDINANCE OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA AFFIRMING THE REAL ESTATE TAX RATE OF EIGHTY-THREE CENTS (\$0.83) ON EVERY ONE HUNDRED DOLLARS (\$100.00) OF ASSESSED VALUE.

was presented by its **First Reading**, as required by City Charter, to lie over before final adoption.

CONSIDERATION OF AUTHORIZING THE CITY MANAGER TO EXECUTE AN ELECTRIC SERVICES AGREEMENT WITH 100 CANE CREEK, LLC

Council Member Campbell **moved** for adoption of a Resolution entitled:

RESOLUTION NO. 2026-05.09

RESOLUTION OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA AUTHORIZING THE CITY MANAGER TO ENTER INTO AN ELECTRIC SERVICES AGREEMENT WITH 100 CANE CREEK, LLC.

The Motion was **seconded** by Council Member Mayo.

Director of Utilities Jason Grey explained they have been working with the new owners of the former Morgan Olsen property on increasing the electric capacity; this agreement has the terms of that. Mr. Grey introduced Mike O'Neal who was there to answer any questions Council may have about the future uses of the property.

Mr. O'Neal explained they buy buildings that need to be redeveloped and bring new companies into them. Sometimes they need an intermediary to make the building exactly what someone needs. Mr. O'Neal noted the City staff was excellent, they show up whenever the building was being shown to a potential tenant, and welcomed people to Danville. Mr. O'Neal stated he believed this building will do well and create permanent jobs.

May 19, 2026

The **Motion** was carried by the following vote:

VOTE: 9-0
AYE: Buckner, Campbell, Hood, Jones, Marshall
Mayo, Miller, Saunders and Vogler (9)
NAY: None (0)

CONSIDERATION OF AMENDING THE FISCAL YEAR 2026 BUDGET APPROPRIATION ORDINANCE FOR A GO VIRGINIA GRANT FROM THE COMMONWEALTH OF VIRGINIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT.

Upon **Motion** by Council Member Saunders and **second** by Vice Mayor Buckner, an Ordinance entitled:

ORDINANCE NO. 2026-05.10

AN ORDINANCE OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA AMENDING THE FISCAL YEAR 2026 BUDGET APPROPRIATION ORDINANCE TO PROVIDE FOR GO VIRGINIA GRANT FUNDING TO COMPLETE DATA NETWORK INSTALLATION REQUIREMENTS FOR THE AVIATION TRAINING FACILITY PROJECT AT THE DANVILLE REGIONAL AIRPORT IN THE AMOUNT OF \$92,000 AND APPROPRIATING THE SAME.

was presented by its **First Reading**, as required by City Charter, to lie over before final adoption.

CONSIDERATION OF AMENDING THE FISCAL YEAR 2026 BUDGET APPROPRIATION ORDINANCE FOR THE COMPREHENSIVE SERVICES ACT

Upon **Motion** by Council Member Saunders and **second** by Council Member Mayo, an Ordinance entitled:

ORDINANCE NO. 2026-05.11

AN ORDINANCE OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA AMENDING THE FISCAL YEAR 2026 BUDGET APPROPRIATION ORDINANCE BY APPROPRIATING COMPREHENSIVE SERVICES ACT FUNDS AND PROVIDING LOCAL MATCHING FUNDS FOR A TOTAL AMOUNT OF \$8,469,539 AND APPROPRIATING SAME.

was presented by its **First Reading**, as required by City Charter, to lie over before final adoption.

CONSIDERATION OF AMENDING THE FISCAL YEAR 2026 BUDGET APPROPRIATION ORDINANCE FOR A GRANT FROM THE FEDERAL AVIATION ADMINISTRATION

Upon **Motion** by Vice Mayor Buckner and **second** by Council Member Mayo, an Ordinance entitled:

ORDINANCE NO. 2026-05.12

AN ORDINANCE OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA AMENDING THE FISCAL YEAR 2026 BUDGET APPROPRIATION ORDINANCE TO PROVIDE FOR ADDITIONAL FEDERAL FUNDING TO COMPLETE ARCHITECTURAL AND CIVIL ENGINEERING SERVICES TO CONSTRUCT A HANGAR AT THE DANVILLE REGIONAL AIRPORT IN THE AMOUNT OF

May 19, 2026

\$62,871 AND FOR THE LOCAL SHARE IN THE AMOUNT OF \$3,309 FOR A TOTAL OF \$66,180 AND APPROPRIATING THE SAME.

was presented by its **First Reading**, as required by City Charter, to lie over before final adoption.

COMMUNICATIONS FROM VISITORS

Mayor Jones recognized Alex Barella who addressed Council concerning his First Amendment and Civil Liberties, he would say a few words tonight. Thank you. (Mr. Barella left without further comment).

Mayor Jones recognized Stan Lawton who provided Council with handouts and addressed Council about the 2026 budget, suspension of retirement bonuses and the structural flaws of the current bonus policy.

Mayor Jones recognized John Graves with Best Friends Animal Society, who addressed Council regarding the death of a dog, Eve, and the systemic failures putting animals at risk in Danville.

COMMUNICATIONS

City Manager Ken Larking noted at Council's desk was a newsletter created by the communications team, led by Public Information Officer Arnold Hendrix and Marc Aron with River City TV. The newsletter shares things that were going on in the City and citizens can scan a QR code to get more information. There will be more newsletters coming out on a regular basis, about twice a month.

There were no communications from the Deputy City Manager, Assistant City Manager Adkins, Assistant City Manager Evans, City Attorney or City Clerk.

Vice Mayor Buckner noted he was asked to speak at the Visit Sosi anniversary at the Welcome Center last week; there was a good crowd and it was a great event. Parks and Rec and the team that put on Festival in the Park did an outstanding job; it was a great weekend. Hyperfest was at VIR this weekend, another great event and encouraged citizens to check it out next year.

Council Member Campbell noted his agreement, the Festival in the Park was a good event. Rev Campbell stated they have a healthy, caring and prosperous city.

Council Member Hood congratulated all the graduates from the past weekend, and the high school graduations coming up this week including Galileo and GWHS, congratulations to all the graduates.

Council Member Marshall noted plans have come together including the River Front Park the other plan that came together was Berry Hill; that park went through a long tough battle to even get the permits, and the best was yet to come.

Council Member Mayo noted his congratulations to the graduates and to Dr. Hairston and her entire staff.

Council Member Miller noted the newsletter was wonderful; they have been waiting for the opening of the splashpads. Dr. Miller noted he had the honor of being invited to the ROTC changing of the guard and promotion ceremony; it was an outstanding organization.

May 19, 2026

Council Member Saunders recognized Dr. Angela Hairston and Tyquan Graves and thanked them for the good things happening in the schools and the work they have done in the school system; Council appreciated that. Mr. Saunders thanked the police officers and public safety for what they do every day, and their families.

Council Member Vogler gave a shout out to the Danville Middle School baseball team; they finished the season with the most wins in the program's history and the most wins for Varsity, JV or Middle Schools since 2013.

Mayor Jones noted DCC this past Saturday graduated one of its largest classes ever. They also had 38 early college students who got their associate's degree before they received their high school diplomas. Mayor Jones noted he also attended the Northside Elementary School Pre-K graduation today and heard how the parent engagement there was larger than it has ever been before, and he looked forward to attending more graduations this week.

MEETING ADJOURNED AT 8:36 P.M.

APPROVED:

MAYOR

ATTEST:

CITY CLERK

Council Letter City of Danville, Virginia



CL - 2732

CONSENT AGENDA B.

City Council REGULAR MEETING

Meeting Date: June 16, 2026

Subject: Amending the Fiscal Year 2026 Budget Appropriation Ordinance by Increasing Revenues from Casino Gaming Taxes to Fund a Reimbursement to Danville Utilities.

From: Henrietta Weaver, Budget Director

COUNCIL ACTION

An Ordinance of the Council of the City of Danville, Virginia Amending the Fiscal Year 2026 Budget Appropriation Ordinance by Increasing Revenues from the Casino Gaming Taxes to Fund a Reimbursement to Danville Utilities for an Appropriation in the Amount of \$4,700,000 and Appropriating the Same.

Final Adoption

SUMMARY

Revenues from casino gaming taxes are anticipated to exceed previously budgeted amounts. The additional revenues will be used to fund a reimbursement to the Gas and Electric Funds of Danville Utilities.

BACKGROUND

The City's Fiscal Year 2026 Budget Appropriation Ordinance includes estimates for casino gaming taxes using the best available information. Casino gaming taxes are on trend to exceed fiscal year estimates. The use of the increased revenues is a one-time type of expenditure, since the revenue derived from this funding source is highly contingent on the state of the economy.

RECOMMENDATION

It is recommended that the City Council adopt the attached ordinance amending the Fiscal Year 2026 Budget Appropriation Ordinance.

Attachments

1. Ordinance
-

PRESENTED: _____

ADOPTED: _____

ORDINANCE NO. 2026 - _____._____

AN ORDINANCE OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA AMENDING THE FISCAL YEAR 2026 BUDGET APPROPRIATION ORDINANCE BY INCREASING REVENUES FROM THE CASINO GAMING TAXES TO FUND A REIMBURSEMENT TO DANVILLE UTILITIES FOR AN APPROPRIATION IN THE AMOUNT OF \$4,700,000 AND APPROPRIATING THE SAME.

WHEREAS, the City anticipates receiving excess revenues from casino gaming operations exceeding the original budget estimate for Fiscal Year 2026; and

WHEREAS, the excess casino revenues will be used to fund a reimbursement to Danville Utilities in Fiscal Year 2026.

BE IT ORDAINED, by the Council of the City of Danville, Virginia, that the Fiscal Year 2026 Budget Appropriation Ordinance be, and the same hereby is, amended, by increasing revenues in the General Fund and appropriating same to be as follows:

ANTICIPATED REVENUES

<u>Description</u>	<u>Account No.</u>	<u>Amount</u>
Caesar's Minimum Gaming Fee	0100000-40580	\$2,350,000
Casino Gaming Tax Local Share	0100000-40585	2,350,000
Total		<u>\$4,700,000</u>

ANTICIPATED EXPENDITURES

<u>Description</u>	<u>Account No.</u>	<u>Amount</u>
Support of/Transfer to/Utility Funds:		
Transfer Out to Gas Fund	0199509-6053	\$ 696,980
Transfer Out to Electric Fund	0199509-6054	4,003,020
Total		<u>\$4,700,000</u>

AND BE IT FINALLY ORDAINED, that all other accounts and provisions of the Fiscal Year 2026 Budget Appropriation Ordinance, as amended, not hereby amended, shall continue in full force and effect unless and until hereafter further amended or repealed.

Approved:

Mayor

Attest:

City Clerk

Approved As To
Form And Legal Sufficiency:

City Attorney

Council Letter City of Danville, Virginia



CL - 2748

CONSENT AGENDA C.

City Council REGULAR MEETING

Meeting Date: June 16, 2026

Subject: Amending the Fiscal Year 2026 Budget Appropriation Ordinance for a Grant from the Virginia Tourism Corporation Marketing Leverage Program.

From: Lisa Meriwether, Tourism Manager

COUNCIL ACTION

An Ordinance of the Council of the City of Danville, Virginia Amending the Fiscal Year 2026 Budget Appropriation Ordinance to Provide for a Virginia Tourism Corporation Marketing Leverage Program Grant in the Amount of \$30,000, and to Provide for the Local Share in the Amount of \$60,000 for a Total Grant of \$90,000 and Appropriating the Same.

Final Adoption

SUMMARY

Staff applied for a Marketing Leverage Grant from the Virginia Tourism Corporation and were awarded \$30,000 with a local match required of \$60,000 for a total appropriation of \$90,000 to be used to create a marketing campaign to drive cross-border visitation from Northern North Carolina's key metropolitan areas - Raleigh, Greensboro, and Durham - into the Visit SoSi region of Danville and Pittsylvania County, VA.

BACKGROUND

The Virginia Tourism Corporation is offering these grant funds to spur economic activity and overnight travel across the Commonwealth. This program is designed to create public-private partnerships and leverage matching marketing dollars to promote Virginia as a vibrant destination with robust visitor experiences. All funded programs must use the Virginia is for Lovers logo on advertising and marketing materials. Funding will be used to create a marketing campaign to drive cross-border visitation from Northern North Carolina's key metropolitan areas - Raleigh, Greensboro, and Durham - into the Visit SoSi region of Danville and Pittsylvania County, VA.

RECOMMENDATION

Staff recommends adoption of this ordinance to appropriate the grant funds.

Attachments

1. Ordinance
-

PRESENTED:_____

ADOPTED:_____

ORDINANCE NO. 2026-_____._____

AN ORDINANCE OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA AMENDING THE FISCAL YEAR 2026 BUDGET APPROPRIATION ORDINANCE TO PROVIDE FOR A VIRGINIA TOURISM CORPORATION MARKETING LEVERAGE PROGRAM GRANT IN THE AMOUNT OF \$30,000, AND TO PROVIDE FOR THE LOCAL SHARE IN THE AMOUNT OF \$60,000 FOR A TOTAL GRANT OF \$90,000 AND APPROPRIATING THE SAME.

WHEREAS, the City of Danville has been awarded a grant from the Virginia Tourism Corporation Marketing Leverage Program; and

WHEREAS, the funding will be used to create a campaign to drive cross-border visitation from Northern North Carolina's key metropolitan areas- Raleigh, Greensboro, and Durham – into the Visit SoSi region of Danville and Pittsylvania County, VA. Through enhanced storytelling, increased exposure curated itineraries, targeted messaging, and strategic calls to action, this campaign will advance the goals outlined in both the region's economic development strategy and the region's 5-year community-led, data-backed, tourism master plan which was published in May of 2023 and was designed to drive increased interest, engagement, and out-of-state bookings and spending across the region.

NOW THEREFORE, BE IT ORDAINED by the Council of the City of Danville, Virginia, that the Fiscal Year 2026 Budget Appropriation Ordinance be, and the same is hereby, amended by increasing revenues for a grant in the amount of Thirty Thousand Dollars (\$30,000) from the Virginia Tourism Corporation Marketing Leverage Program, and the local share of the grant in the amount of Sixty Thousand Dollars (\$60,000), such funds to be appropriated in the Special Grants fund and to be as follows:

ANTICIPATED REVENUES

<u>Description</u>	<u>Account No.</u>	<u>Amount</u>
VTC "Welcome to SoSi" Tourism Marketing Campaign		
Categorical Aid – State - Other	62109000-47670	\$ 30,000
Local Share		
Transfer from General Fund	62109000-6101	60,000
	TOTAL	<u><u>\$ 90,000</u></u>

ANTICIPATED EXPENDITURES

<u>Description</u>	<u>Account No.</u>	<u>Amount</u>
VTC "Welcome to SoSi" Tourism Marketing Campaign	62109999-50	\$ 90,000

AND BE IT FINALLY ORDAINED that all other accounts and provisions of the Fiscal Year 2026 Budget Appropriation Ordinance, as amended, not hereby amended, shall continue in full force and effect unless and until hereafter further amended or repealed.

Approved:

Mayor

Attest:

Clerk

Approved as to
Form and Legal Sufficiency:

City Attorney

Council Letter
City of Danville, Virginia



CL - 2825

APPOINTMENTS A.

City Council REGULAR MEETING

Meeting Date: June 16, 2026

Subject: Board Appointment

From: Susan DeMasi, City Clerk

COUNCIL ACTION

1. A Resolution Appointing Kathleen Mullin to the Danville Community Policy and Management Team as the Juvenile Court Services Representative.

Attachments

1. Resolution
-

PRESENTED: _____

ADOPTED: _____

RESOLUTION NO. 2026 - ____ . ____

**A RESOLUTION APPOINTING KATHLEEN MULLIN AS A MEMBER OF THE
DANVILLE COMMUNITY POLICY AND MANAGEMENT TEAM AS THE 22ND DISTRICT
COURT SERVICES UNIT REPRESENTATIVE.**

BE IT RESOLVED by the Council of the City of Danville, Virginia, that Kathleen Mullin be, and she is hereby appointed as a member of the Danville Community Policy and Management Team as the 22nd District Court Services Unit representative.

APPROVED:

MAYOR

ATTEST:

CITY CLERK

Council Letter City of Danville, Virginia



CL - 2755

OLD BUSINESS A.

City Council REGULAR MEETING

Meeting Date: June 16, 2026

Subject: City of Danville Budget, CSP, and Budget Appropriation Ordinance.

From: Henrietta Weaver, Budget Director

COUNCIL ACTION

1. A Resolution of the Council of the City of Danville, Virginia Approving the Budgets of the Various Funds of the City of Danville for the Fiscal Year Ending June 30, 2027.
Final Adoption
2. A Resolution of the Council of the City of Danville, Virginia Approving the Fiscal Year 2027 Capital and Special Projects Plan for the City of Danville, Virginia.
Final Adoption
3. An Ordinance of the Council of the City of Danville, Virginia Approving the Budget Appropriation for Fiscal Year 2027.
Final Adoption

SUMMARY

The Public Hearing for the Budget of the City of Danville and Capital and Special Projects (CSP) was held on June 2, 2026.

BACKGROUND

The City Manager presented the Fiscal Year 2027 Proposed Budget in March 2026. City Council held meetings with City staff in April to review and make modifications to the proposed budget. City Council's Introductory Budget was presented for public review on April 30, 2026; a public hearing was scheduled for June 2, 2026.

A public hearing was held on May 5, 2026 for proposed rate and fee changes and increases in the following areas:

- Increased data center tax
- New special event application fee in Parks and Recreation
- Eliminated incident report fee, increased crash report fee and parade permit fees in the Police Department
- New and increased fees and permits in Public Works

A public hearing was held on June 2, 2026 for a proposed \$0.10 reduction in the tax on tangible personal property changing the rate from \$3.45 per \$100 of assessed value to \$3.35 per \$100 of

assessed value.

The schedule of authorized full-time positions is included.

RECOMMENDATION

It is recommended that City Council adopt the attached Resolutions approving the City and CSP Budgets, and the Budget Appropriation Ordinance to appropriate the budget to the various funds for Fiscal Year 2027.

Attachments

1. Resolution
 2. Resolution
 3. Ordinance
 4. Authorized Positions
-

PRESENTED: _____

ADOPTED: _____

RESOLUTION NO. 2026-_____._____

A RESOLUTION OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA
APPROVING THE BUDGETS OF THE VARIOUS FUNDS OF THE CITY OF DANVILLE FOR
THE FISCAL YEAR ENDING JUNE 30, 2027.

WHEREAS, the Budget of and for the City of Danville for Fiscal year 2027 has
been prepared and introduced by the City Manager and received and considered by the
Council, including the Budgets for the following funds:

Fund	Proposed Expenditure	Contribution/ Transfer to (from) General Fund
General Fund	\$ 194,175,040	\$
VDOT Special Revenue Fund	15,850,820	
Wastewater	11,790,170	707,760
Water	12,324,550	985,300
Gas	22,373,530	1,988,360
Electric	168,078,080	6,207,590
Telecommunications	1,326,440	81,000
Transportation	5,539,170	
Central Services	381,260	
Motorized Equipment	6,245,920	
Insurance Fund	7,243,600	
Sanitation Fund	5,527,130	
Cemetery Fund	1,315,410	

AND, WHEREAS, a brief synopsis of said Budget has been duly published and
a public hearing with respect thereto has been conducted by the Council, after due public
notice thereof, and upon consideration of which it is now necessary and desirable to approve
the same as prescribed by law.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Danville, Virginia that the attached Budgets for the City of Danville for the Fiscal Year Ending June 30, 2027 representing the General Fund, VDOT Special Revenue, Water, Wastewater, Gas, Power & Light, Telecommunications, Transportation, Central Services, Motorized Equipment, Insurance, Sanitation, and Cemetery Funds, be, and the same are hereby, approved for informative and fiscal planning purposes pursuant to the City Charter and Sections 15.2-2503 through 15.2-2506 of the Code of Virginia, 1950, as amended.

Approved:

Mayor

Attest:

Clerk

Approved as to
Form and Legal Sufficiency:

City Attorney

PRESENTED: _____

ADOPTED: _____

RESOLUTION NO. 2026____.____

A RESOLUTION OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA APPROVING THE FISCAL YEAR 2027 CAPITAL AND SPECIAL PROJECTS PLAN FOR THE CITY OF DANVILLE, VIRGINIA.

WHEREAS, the City Manager of the City of Danville has proposed, and the City Council has reviewed a plan prioritizing, scheduling, and funding capital and special projects; and

WHEREAS, this plan has been updated to assist with the City in the planning, acquisition, construction, and improvement of various public facilities that promote the development of the City; and

WHEREAS, the plan provides an expedient process for the City of Danville to acquire, construct, extend, renovate, and improve its utility systems in an orderly and coordinated fashion to promote the public welfare of the City and to comply with Federal and State environmental protection regulations; and

WHEREAS, projects proposed to be funded with proceeds from bonds and bond anticipation notes are contingent upon City Council's approval of the issuance of such bonds; and

WHEREAS, such approval shall be by resolution and appropriation by ordinance; and

WHEREAS, it should be recognized that the plan beyond Fiscal Year 2027 is for planning purposes and does not obligate or commit the City to projects included in the plan beyond Fiscal Year 2027.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Danville, Virginia that the Fiscal Year 2027 Capital and Special Projects Plan referred to above and incorporated herein and made a part hereof by reference be, and the same is hereby approved.

Approved:

Mayor

Attest:

Clerk

Approved as to
Form and Legal Sufficiency:

City Attorney

PRESENTED: _____

ADOPTED: _____

ORDINANCE NO. 2026____.____

AN ORDINANCE OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA
APPROVING THE BUDGET APPROPRIATION FOR FISCAL YEAR 2027.

WHEREAS, the Budget of and for the City of Danville for Fiscal Year 2027 has been prepared by the City Manager and, after collaboration with the Council, completed and introduced and a brief synopsis thereof was duly published once in the newspaper having general circulation within the City and due notice given of a public hearing which was held on June 2, 2026 at 7:00 P.M., in the Council Chambers, at which any citizen of the City had a right and opportunity to attend and to state his views with regard to such Budget, and such public hearing having been held as advertised, all pursuant to the requirements and provisions of Section 2-6 of the Charter of the City of Danville, Virginia, 1986, as amended, and of Chapter 25 of Title 15.2 of the Code of Virginia, 1950, as amended; and

WHEREAS, the Council, after having duly considered all views and opinions expressed at such public hearing, approved such budget and does now desire to appropriate funds necessary and available to finance the Budget for the operations of the City for Fiscal Year 2027.

NOW THEREFORE, BE IT ORDAINED by the Council of the City of Danville, Virginia, that:

1. The Estimated Revenues and Revenue Contributions and the appropriation of funds to finance the Budgets of and for the City of Danville, Virginia, for the period beginning July 1, 2026 and ending June 30, 2027, be, and the same hereby are, as follows:

I. GENERAL FUND

Estimated Revenue FY 2027	\$ 194,175,040
Appropriations	<u>194,175,040</u>
Unappropriated	<u><u>-0-</u></u>

II. VDOT STREET MAINTENANCE FUND

Estimated Revenue FY 2027	\$ 15,850,820
Appropriations	<u>15,850,820</u>
Unappropriated	<u><u>-0-</u></u>

III. UTILITY FUNDS

	<u>Wastewater</u>	<u>Water</u>	<u>Gas</u>	<u>Electric</u>	<u>Telecommunications</u>
Operating Revenues	\$ 9,488,210	10,481,750	20,081,400	155,135,090	881,220
Expenditures	<u>11,082,410</u>	<u>11,339,250</u>	<u>19,174,200</u>	<u>157,367,470</u>	<u>1,245,440</u>
Excess Revenues Over (Under)					
Expenditures	(1,594,200)	(857,500)	907,200	(2,232,380)	(364,220)
Add:					
Depreciation	1,673,370	1,450,620	1,572,450	8,468,040	448,550
Contribution/Transfer (To)/From General Fund	<u>(707,760)</u>	<u>(985,300)</u>	<u>(1,988,360)</u>	<u>(6,207,590)</u>	<u>(81,000)</u>
Increase (Decrease) In Fund Balance	\$ (628,590)	(392,180)	491,290	28,070	3,330

IV. OTHER FUNDS

	<u>Transportation</u>	<u>Central Services</u>	<u>Motorized Equipment</u>	<u>Insurance</u>	<u>Sanitation</u>	<u>Cemetery</u>
Operating Revenues	\$ 4,919,090	337,900	5,586,540	4,685,300	4,684,040	1,076,720
Expenditures	<u>6,256,220</u>	<u>383,730</u>	<u>7,306,660</u>	<u>7,243,600</u>	<u>5,900,570</u>	<u>1,315,410</u>
Excess Revenues Over (Under)						
Expenditures	(1,314,420)	(45,830)	(1,720,120)	(2,558,300)	(1,216,530)	(238,690)
Add:						
Depreciation	717,050	2,470	1,060,740	-0-	373,440	-0-
Contribution/Transfer (To)/From General Fund	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Increase (Decrease) In Fund Balance	\$ (597,370)	(43,360)	(659,380)	(2,558,300)	(843,090)	(238,690)

2. Flexible budgets are hereby authorized whereby appropriations may be increased to the extent that actual revenues exceed the original revenue budget amount.

This provision shall apply to the following:

<u>Appropriation</u>	<u>Revenue</u>
Purchased Power	Electric Revenues
Natural Gas Purchases	Natural Gas Revenues
Cast Iron Main Replacement	Gas Refunds
Electric Capital Reserve	Electric Refunds
DMV Fees	DMV Fees-P/Taxes
Landscape Projects	Donations - Grant Fund
Capital Expenditures from Grants-in-Aid	Utility Grants-in-Aid of Construction
P/W Street Maintenance	VDOT Street & Hwy Maintenance
Firefighting Apparatus Replacement	Fire Programs Fund Disbursement (Aid to Localities)
Social Services	State Categorical Aid – Department of Social Services
Mass Transit Fund	State & Federal Categorical Aid – Transportation
Police/Fire/PRT Departments Extra Pay	Recoveries – Extra Pay
Police Department	Federal & State Forfeiture Funds
Police Department Investigation Expense	Interest Earned – Unexpended Federal & State Forfeiture Funds
Commonwealth Attorney Prosecution Expense – State	Forfeited Funds and Interest Earned on Forfeited Funds
HAZMAT Reimbursable Expenditures	Emergency Services Funds
Older Americans Title IIIB	Program Income
Older Americans Title IIID	Program Income
Economic Development Projects	Proceeds from Sale of Buildings or Property

<u>Appropriation</u>	<u>Revenue</u>
Human Resources Wellness Program Expenditures	Wellness Recovery Funds
Grant Funds	State/Federal Funding & Private Donations
Clerk of Court – Index/Records	Virginia Supreme Court – Technology Trust Fund
Community Development Fund CDBG-Rehab-Private Property HOME-Rehab-Private Property	Program Income
All Funds Repairs/Replacement from Insurance/Accident Claims	Recoveries – Accident Claims

3. For the operation of the several city departments, as set forth in the "Intra-governmental Service Fund" Budgets, the Council hereby authorizes transfers from the General Fund for cash deficits resulting from internal charges and credits for the Year Ended June 30, 2026.

4. The accounting for funds designated within all funds as unanticipated grants/donations not exceeding \$100,000 and requiring no local funding are authorized for expenditure/assignment within the appropriate fund ***unless council action is required by the Grantor***. Unanticipated grants/donations of more than \$100,000 to be submitted as an additional appropriation ordinance for City Council approval and adoption.

5. Transfers of funds from the General Fund to the accounts in the "Special Grants Fund" of the City for the purpose of making temporary advances to the Special Grants Fund pending receipt of reimbursements of such grant funds and for the purpose of adjusting any cash deficits in such Special Grants Funds for the Fiscal Year Ending June 30, 2026, be, and the same are hereby, authorized.

6. Any deficit resulting from the operations of the Cemetery Enterprise Fund, Motorized Equipment Fund, and Solid Waste Fund can be financed by a transfer from the General Fund.

7. Authorization to transfer any unappropriated casino-derived gaming tax, both the state gaming tax and the local direct payment from the casino, at June 30, 2026 unless these surplus funds are needed to meet the City's minimum required Unassigned Fund Balance, to the Capital Expenditure Reserve, as prescribed by City Council's Financial Policy.

8. Authorization to transfer any non-casino-derived surplus General Fund revenues causing the Unassigned Fund Balance to exceed 30% of the adopted revenue budget for the upcoming fiscal year, to the Capital Expenditure Reserve, as prescribed by City Council's Financial Policy.

9. Authorization to transfer unexpended funds for the Line of Duty Act (LODA), General Liability Insurance, and Worker's Compensation to the Insurance Fund to be held in reserve for future expenses unless such transfer reduces unassigned Fund Balance/Retained Earnings in respective funds.

10. The Fiscal Year 2027 Personnel Budget setting forth the Personal Services Detail showing approved as to the total number of authorized full-time positions is attached. The City Manager be, and is hereby, authorized to allocate positions within similar occupational groupings as may be deemed necessary and appropriate for the operation of the City, provided that the total number of positions and the total expenditures therefore do not exceed the authorized numbers and amounts set forth in the Budget.

11. The Chief Financial Officer be, and is hereby, authorized and directed to record the budget appropriations made hereby and the expenditures thereof in such manner and in such detail as may be appropriate for management and financial reporting purposes.

12. A sum of sufficient amount be, and the same is hereby, appropriated for the purchase of inventories of materials and supplies, and/or equipment and vehicle parts to maintain adequate operating inventories for City departments, provided cash funds are available for payment of said purchases.

13. The funds appropriated in Fiscal Year 2026 and in prior years for the City or School System which were encumbered by purchase order or contract as of June 30, 2026, be, and the same are hereby, reappropriated for the purpose of liquidating said outstanding encumbrances.

14. Appropriations for the following are deemed to be on a continuing basis and will continue in effect until the purposes have been achieved or said funds expended whichever comes first:

Police Department - Investigation Expense

Commonwealth Attorney - Prosecution Expense - State Funds

Appropriations for Grants Funds - Federal, State, Local Share

Law Library

Unexpended Tuition Reimbursement Funds – To the extent funding has been committed and approved prior to June 30

Capital Improvement Projects (unless transferred or cancelled by the City Manager and/or City Council)

Sheriff's Office – Jail R&B Fee

Parks, Recreation & Tourism – Scholarship Funds & Revolving Accounts

Recoveries/Appropriations - Accident/Insurance Claims

Economic Development – Visitor Center State Funds

15. Appropriations designated as transfers to Capital Improvements, other than projects funded by grant or the issuance of bonds, are hereby authorized as appropriations in

the receiving fund in accordance with the Capital Improvements Plan approved by City Council.

16. Transfers from the Casino holding account are authorized to be posted to projects and operations as approved by City Council Resolution.

17. At the discretion of the City Manager or the Director of Budget in collaboration with the Chief Financial Officer, expenditures in excess of the amount budgeted for Group Health Insurance and Insurance Claims Expense, in part or in whole, can be financed by a transfer from the Insurance Fund, if sufficient reserves are available in the Insurance Fund.

18. Authorization for appropriation of Law Library Revenues reserved from prior fiscal years in Advance Collections.

19. Authorization for appropriation of Children's Services Act (CSA) Revenues reserved from prior fiscal year in Special Revenue Fund - Undesignated. Authorization to finance any deficit in locally required funding by a transfer from the General Fund.

20. Authorization to carry forward unexpended appropriation for Regional Industrial Facilities Authority Debt Service including interest earned and to designate as reserved funding to be used for the purpose for which it was appropriated.

21. Authorization to carry forward unencumbered appropriation for Support of Public Schools as of June 30, 2026.

22. Authorization for the City to transfer any unencumbered funds for Support of Public Schools from Schools Operations account to School Capital Projects in the Capital Projects Fund as requested by Schools.

23. Authorization for appropriation in the Capital Projects Fund of Support of and Debt Service requirements for the Regional Industrial Facilities Authority as provided in the General Fund Budget.

24. Subject to the provisions herein, departments are authorized to transfer budget between line items within the department within the same fund with the following limitations:

- No transfers allowed to or from salary/benefit line items to operating line items unless approved by City Manager, Deputy City Manager, or Director of Budget.
- No transfers allowed from fixed line items (General Liability Insurance, Worker's Compensation, Depreciation, Debt Service Principal/Interest, Motorpool Rental) to operating or salary/benefit line items unless approved by City Manager, Deputy City Manager, or Director of Budget.
- All transfers must be approved by Department Director or designee.

25. The City Manager or designee is authorized to transfer budget from contingency within the same fund.

26. City Manager, Deputy City Manager, or Director of Budget authorized to transfer funds between departments within the same fund at year-end to cover over-expenditures and during the fiscal year for special one-time purposes.

27. Budget Adjustments are hereby authorized for Bond Refundings as approved by City Council.

28. Transfers of funds from the General Fund to the Economic Development Fund are available for transfer to the Industrial Development Authority for payments of economic development projects.

29. This Ordinance shall become and be effective on and as of July 1, 2026.

Approved:

Mayor

Attest:

Clerk

Approved as to
Form and Legal Sufficiency:

City Attorney

**CITY OF DANVILLE, VIRGINIA
FY 2027 AUTHORIZED FULL-TIME POSITIONS**

FY 2025	FY 2026	Changes	FY 2027	POSITION TITLE
City Manager's Office (01100)				
1	1		1	City Manager
1	1		1	Deputy City Manager
	1		1	Assistant City Manager
	1		1	Assistant City Manager/Chief Financial Officer
1	1		1	Assistant to the City Manager
1	1		1	Clerk of Council
1	1		1	Multimedia Manager
1	1		1	Public Information Officer (funded by Utilities)
1	1	(1)		Economic Mobility & Opportunity Manager
1	1		1	Executive Secretary
8	10	(1)	9	Sub-total
Gang & Violence Prevention (01100)				
1	1		1	Violence Prevention Manager
1	1		1	Assistant Violence Prevention Manager
5	5	1	6	Violence Prevention Outreach Worker
1	1		1	Community Liaison
8	8	1	9	Sub-total
Budget (01210)				
	1		1	Director of Budget
	1		1	Budget Analyst
	2		2	Sub-total
16	20		20	TOTAL CITY MANAGER'S OFFICE
City Attorney's Office (01105)				
1	1		1	City Attorney
1	1		1	Assistant City Attorney I (50% funded by Utilities)
1	1		1	Deputy City Attorney
1	1		1	Legal Assistant
1	1		1	Legal Secretary
5	5		5	TOTAL CITY ATTORNEY'S OFFICE
COMMUNITY DEVELOPMENT DEPARTMENT				
Community Development Block Grant Fund (12110)				
1	1		1	Housing and Redevelopment Specialist (grant funded)
1	1		1	Housing and Development Division Director
2	2		2	Cost Estimator/Inspector (grant funded)
1	1	(1)		LEAD Safe Program Manager (grant funded)
1	1	(1)		LEAD Safe Prog Cost Estimator/Inspector (grant funded)

**CITY OF DANVILLE, VIRGINIA
FY 2027 AUTHORIZED FULL-TIME POSITIONS**

FY 2025	FY 2026	Changes	FY 2027	POSITION TITLE
	1		1	Housing Grant Coordinator
1	1		1	Housing Grant & Environmental Review Specialist (grant funded)
1	1		1	Senior Account Clerk (grant funded)
1	1	(1)		Secretary (partially grant funded)
9	10	(3)	7	Sub-total
Director of Community Development (01700)				
1	1		1	Director of Community Development
1	1		1	Accountant II
1	1		1	Senior Secretary
3	3		3	Sub-total
Inspections Office (01710)				
1	1		1	Division Director of Inspections
1	1		1	Inspections Supervisor
	1		1	Plans Examiner
1	1		1	Plumbing/Cross Connection Inspector
1	1		1	Mechanical Inspector
2	2		2	Electrical Inspector
2	2		2	Building Inspector
6	6		6	Property Maintenance Inspector
1	1		1	Property Maintenance Code Supervisor
1	1		1	Permit Technician
16	17		17	Sub-total
Planning Office (01715)				
1	1		1	Division Director of Planning
1	1		1	Short Term Rental Technician
	1		1	Long Range and Neighborhood Planner
3	3		3	Combination of:
				Senior Planner
				Associate Planner
				Planning Technician
5	6		6	Sub-total
33	36	(3)	33	TOTAL COMMUNITY DEVELOPMENT DEPARTMENT

**CITY OF DANVILLE, VIRGINIA
FY 2027 AUTHORIZED FULL-TIME POSITIONS**

FY 2025	FY 2026	Changes	FY 2027	POSITION TITLE
SOCIAL SERVICES DEPARTMENT				
Social Services (01520)				
1	1		1	Director of Social Services
1	1		1	Division Director of Training and Operations
1	1		1	Accountant II
1	1		1	CSA Coordinator (grant funded)
1	1		1	Family Services Manager
3	3		3	Family Services Supervisor
1	1		1	Senior Family Services Specialist
16	16	1	17	Family Services Specialist
1	1		1	Eligibility Services Manager
3	4		4	Eligibility Supervisor
4	3	1	4	Senior Eligibility Worker
36	37	2	39	Eligibility Worker
5	5		5	Child Protective Service Worker
1	1		1	Fraud Investigator
1	1		1	Employment Service Supervisor
2	2		2	Sr Employment Services Worker
7	7		7	Employment Service Worker
1	1		1	Employment Service Aide
1	1		1	Senior Administrative Assistant
2	2		2	Administrative Assistant
				Senior Secretary
2	2		2	Secretary
1	1		1	Senior Account Clerk
12	12		12	Senior Administrative Specialist
				Administrative Specialist
1	1		1	Social Service Aide
105	106	4	110	TOTAL SOCIAL SERVICES DEPARTMENT
OFFICE OF ECONOMIC DEVELOPMENT & TOURISM				
Economic Development (01180)				
1	1		1	Director of Economic Development & Tourism
1	1		1	Assistant Director of Economic Development & Tourism
1	1		1	Marketing and Communications Specialist
1	1		1	Economic Development Project Manager
1	1		1	Economic Development Real Estate Manager
1	1		1	Marketing, Communications, and Research Manager
1	1		1	Special Project Manager
1	1		1	Senior Secretary
8	8		8	Sub-total

**CITY OF DANVILLE, VIRGINIA
FY 2027 AUTHORIZED FULL-TIME POSITIONS**

FY 2025	FY 2026	Changes	FY 2027	POSITION TITLE
				Tourism (01181)
1	1		1	Tourism Sales Coordinator
1	1		1	Tourism Manager
2	2		2	Sub-total
				Visitor Center (01182)
1	1		1	Visitor Center Manager
		1	1	Assistant Visitor Center Manager
		1	1	Travel Counselor II
1	1	2	3	Sub-total
11	11	2	13	TOTAL OFFICE OF ECONOMIC DEVELOPMENT & TOURISM
				FINANCE DEPARTMENT
				Customer Accounts (01226)
1	1		1	Division Director of Customer Accounts
1	1		1	Service and Billing Customer Account Manager
1	1		1	Collections Customer Account Manager
1	1		1	Delinquent Collections Coordinator
2	2		2	Senior Collections Clerk
12	12		12	Customer Account Representative
5	5		5	Cashier
1	1		1	Senior Customer Account Training Representative
6	6		6	Combination of: Senior Utility Billing Clerk Utility Special Billing Clerk Utility Billing Clerk
30	30		30	Sub-total
				Central Services Fund (42110)
1	1		1	Print Shop Supervisor
3	3		3	Combination of: Senior Printer Printer
4	4		4	Sub-total
				Director of Finance (01200)
1	1		1	Director of Finance
1	1		1	Grant Administrator
1	1		1	Administrative Assistant
3	3		3	Sub-total

CITY OF DANVILLE, VIRGINIA
FY 2027 AUTHORIZED FULL-TIME POSITIONS

FY 2025	FY 2026	Changes	FY 2027	POSITION TITLE
Accounting (01205)				
1	1		1	Assistant Director of Finance
1	1		1	Business Systems Accountant
	2		2	Accounting Supervisor
4	3		3	Combination of: Accountant I Accountant II Accountant III
1	1		1	Payroll Administrator
1	1		1	Accounting Technician
2	2		2	Combination of: Account Clerk Senior Account Clerk
10	11		11	Sub-total
Internal Audit (01208)				
1	1		1	Senior Internal Auditor/Cash & Risk Manager
1	1		1	Sub-total
Budget (01210)				
1				Director of Budget
1				Budget Analyst
2				Sub-total
Purchasing (01215)				
1	1		1	Division Director of Purchasing
1	1		1	Procurement Officer
1	1		1	Purchasing Support Specialist
1	1		1	Vendor Relationship Coordinator
4	4		4	Sub-total
Real Estate (01220)				
1	1		1	Division Director of Real Estate Assessment
3	3		3	Combination of: Real Estate Appraiser III Real Estate Appraiser II Real Estate Appraiser I
1	1		1	Combination of: Senior Real Estate Assessment Clerk Real Estate Assessment Clerk
5	5		5	Sub-total
59	58		58	TOTAL FINANCE DEPARTMENT

CITY OF DANVILLE, VIRGINIA
FY 2027 AUTHORIZED FULL-TIME POSITIONS

FY 2025	FY 2026	Changes	FY 2027	POSITION TITLE
FIRE DEPARTMENT				
Emergency Communications (01330)				
1	1		1	Emergency Communications Manager
4	4		4	Emergency Telecommunications Supervisor
				CERT Coordinator
16	16		16	Combination of:
				Emergency Telecommunicator I
				Emergency Telecommunicator II
21	21		21	Sub-total
Fire (01320)				
1	1		1	Fire Chief
2	2		2	Deputy Fire Chief
3	3		3	Fire Battalion Chief
1	1		1	Division Chief Training & Safety
1	1		1	Division Chief Fire Marshal
1	1		1	Division Chief Community Risk Reduction Specialist/Educator
				Fire Marshal
27	27		27	Combination of:
				Fire Captain
				Fire Lt./Asst. Training Officer
1	2		2	Assistant Fire Marshal
24	24		24	Fire Fighter/Engineer
1	1		1	Fire Support Administrator
60	60		60	Fire Fighter
1	1		1	Fire Logistics Officer
1	1		1	Administrative Assistant
1	1		1	Senior Secretary
125	126		126	Sub-total
146	147		147	TOTAL FIRE DEPARTMENT
GENERAL ASSEMBLY				
Circuit Court (01155)				
1	1		1	Law Clerk
1	1		1	Judicial Assistant I
1	1		1	Judicial Assistant II
1	1		1	Senior Court Reporter
4	4		4	TOTAL CIRCUIT COURT

CITY OF DANVILLE, VIRGINIA
FY 2027 AUTHORIZED FULL-TIME POSITIONS

FY 2025	FY 2026	Changes	FY 2027	POSITION TITLE
				Registrar (01150)
1	1		1	Registrar
1	1		1	Deputy Registrar
2	2		2	TOTAL REGISTRAR
				HUMAN RESOURCES DEPARTMENT
				Human Resources (01110)
1	1		1	Director of Human Resources
	1		1	Assistant Director of Human Resources
1				HR Training & Business Systems Manager
3	3		3	Combination of: Organization Development Consultant HR Business Partner I HR Business Partner II
2	2		2	Combination of: Human Resources Coordinator I Human Resources Coordinator II
1	1		1	Human Resource Assistant
8	8		8	TOTAL HUMAN RESOURCES DEPARTMENT
				INFORMATION TECHNOLOGY DEPARTMENT
				Information Technology (01250)
1	1		1	Chief Information Officer
24	24	1	25	Combination of: Deputy Chief Information Officer Division Director of Application Solutions Division Director of Client & Administrative Services IT Project Manager Senior Business Intelligence Analyst Client Solutions Specialist III Network Engineer Network Administrator I Network Administrator III System Administrator I System Administrator II System Administrator III System Administrator IV Technical Support Manager Technical Support Specialist I Technical Support Specialist II Technical Support Specialist III Technical Support Specialist IV

**CITY OF DANVILLE, VIRGINIA
FY 2027 AUTHORIZED FULL-TIME POSITIONS**

FY 2025	FY 2026	Changes	FY 2027	POSITION TITLE
				Business & Data Analyst I
				Business & Data Analyst II
				Business & Data Analyst III
				Business & Data Analyst IV
				GIS Coordinator
				Solutions Integration Specialist
				Solutions Integration Developer
				Application Specialist I
				Application Specialist II
				Application Specialist III
				Applications Specialist IV
				Programmer I
				Programmer II
				Programmer III
				GIS Specialist I
				GIS Specialist II
				GIS Specialist III
				GIS Analyst
				Administrative Technical Analyst I
<u>25</u>	<u>25</u>	<u>1</u>	<u>26</u>	TOTAL INFORMATION TECHNOLOGY DEPARTMENT

POLICE DEPARTMENT

Adult Detention Facility (01515)

1	1		1	Division Director of Adult Detention
1	1		1	Chief Correctional Officer
1	1		1	Service Program Coordinator
1	1		1	Administrative Lieutenant
1	1		1	Work Program Coordinator
2	2		2	Correctional Health Assistant
4	3		3	Correctional Captain
	1		1	Correctional Treatment Specialist
6	6		6	Correctional Lieutenant
	1		1	Investigative Services Technician
19	18		18	Combination of:
				Correctional Officer I
				Correctional Officer II
1	1		1	Senior Account Clerk
1	1		1	Administrative Assistant
<u>38</u>	<u>38</u>		<u>38</u>	Sub-total

**CITY OF DANVILLE, VIRGINIA
FY 2027 AUTHORIZED FULL-TIME POSITIONS**

FY 2025	FY 2026	Changes	FY 2027	POSITION TITLE
Juvenile Detention Facility (01510)				
1	1		1	Division Director of Juvenile Detention
1	1		1	Assistant Division Director of Juvenile Detention
1	1		1	Juvenile Program Coordinator
1	1		1	Nurse
4	4		4	Shift Supervisor
1	1		1	Building Maintenance Mechanic I
1	1		1	Post Dispositional Coordinator
4	4		4	Senior Youth Care Worker
1	1		1	Juvenile Training Coordinator
2	2		2	Alternative Detention Case Worker (grant funded)
				Youth Care Worker
30	30		30	Combination of:
				Youth Care Worker I
				Youth Care Worker II
				Youth Care Worker III
1	1		1	Senior Account Clerk
2	2		2	Secretary
1	1		1	Custodian
51	51		51	Sub-total
Police (01310)				
1	1		1	Police Chief
1	1		1	Police Deputy Chief
2	2		2	Police Assistant Chief
4	4		4	Police Captain
10	11		11	Police Lieutenant
12	12		12	Police Sergeant
17	17		17	Police Corporal
83	82		82	Combination of:
				Police Officer
				Community Engagement Specialist
2	2		2	School Resource Officer / Police Officer
2	2		2	CITAC Officer / Police Officer (funded by DPCS)
1	1		1	Accreditation Manager
1	1		1	Community Relations Liaison
1	1		1	Police Public Relations Specialist
1	1		1	Quarter Master
1	1		1	Police Records & Technology Manager
1	1		1	Police Video Technician
1	1		1	Police Property & Evidence Technician
1	1		1	Senior Administrative Assistant
	1		1	Administrative Assistant
2	2		2	Animal Control Officer
2	1		1	Secretary

**CITY OF DANVILLE, VIRGINIA
FY 2027 AUTHORIZED FULL-TIME POSITIONS**

FY 2025	FY 2026	Changes	FY 2027	POSITION TITLE
1	1		1	Senior Secretary
4	4		4	Police Records Clerk
1	1		1	Crime Analyst
2	2		2	Custodian
154	154		154	Sub-total
243	243		243	TOTAL POLICE DEPARTMENT

PARKS & RECREATION DEPARTMENT

Parks & Recreation - Administration (01600)

1	1		1	Director of Parks & Recreation
		1	1	Recreation Program Development Manager
1	1		1	Division Director of Parks & Recreation Administration
1	1		1	P&R Project Manager
	1		1	Cultural Arts Manager
1	1		1	P&R Public Relations Specialist
1	1		1	Program Coordinator
1	1		1	Facilities & Services Planning Specialist
1	1		1	P&R Facilities Manager
1	1		1	Administrative Assistant
1	1		1	Senior Secretary
1	1		1	Secretary
2	2		2	Custodian
1	1		1	Outdoor Recreation Program Supervisor
13	14	1	15	Sub-total

Athletics (01620)

1	1		1	Division Director of Athletics
2	2		2	Program Coordinator
1	1		1	Senior Administrative Specialist
4	4		4	Sub-total

Community Recreation (01605)

1	1		1	Division Director of Community Recreation
3	3		3	Program Coordinator
1				Recreation Grants Specialist (Grant Funded)
1	1		1	Senior Administrative Specialist
6	5		5	Sub-total

**CITY OF DANVILLE, VIRGINIA
FY 2027 AUTHORIZED FULL-TIME POSITIONS**

FY 2025	FY 2026	Changes	FY 2027	POSITION TITLE
Park Maintenance (01630)				
1	1		1	Division Director of Parks Maintenance
3	3		3	Parks Supervisor
12	12	1	13	Combination of: Senior Parks Groundskeeper Parks Groundskeeper II Parks Groundskeeper I Motor Equipment Operator I
1	1	2	3	Combination of: Public Service Worker/Operator Public Service Worker
17	17	3	20	Sub-total
Special Recreation (01610)				
1	1		1	Division Director of Special Recreation
4	4		4	Program Coordinator (1 Grant Funded)
1	1		1	Special Population Assistant
1	1		1	Custodian
3	3		3	Recreation Program Supervisor
10	10		10	Sub-total
Public Library (01540)				
1	1		1	Division Director of Library
1	1		1	Adult Services Coordinator
1	1		1	Youth Services Librarian
1	1		1	Circulation Supervisor
1	1		1	Circulation Specialist
1	1		1	Technical Services Librarian
3	3		3	Library Services Specialist
3	4		4	Information Specialist Senior Administrative Specialist
1				Public Safety Facility Monitor
1	1		1	Library Technology Specialist
14	14		14	Sub-total
64	64	4	68	TOTAL PARKS & RECREATION

CITY OF DANVILLE, VIRGINIA
FY 2027 AUTHORIZED FULL-TIME POSITIONS

FY 2025	FY 2026	Changes	FY 2027	POSITION TITLE
PUBLIC WORKS DEPARTMENT				
Cemetery Maintenance (fund 59) (59110)				
1	1		1	General Supervisor
2	2		2	Cemetery Supervisor
10	10		10	Combination of: Motor Equipment Operator I Groundskeeper Public Service Worker Public Service Worker/Operator
13	13		13	Sub-total
Public Works Administration (01253) (01400)				
1	1		1	Director of Public Works
1	1		1	Division Director Public Works Administration
1	1		1	Public Works Administrative Manager
6	7		7	Combination of: Senior Administrative Assistant Accountant II Administrative Assistant Dispatcher Senior Account Clerk Senior Secretary Account Clerk
9	10		10	Sub-total
Building Maintenance (01250) (01440)				
1	1		1	Division Director of Building & Grounds
1	1		1	General Supervisor
1	1		1	Custodian Supervisor
7	7		7	Combination of: Building Maintenance Mechanic III Building Maintenance Mechanic II Building Maintenance Mechanic I
9	9		9	Combination of: Senior Custodian Custodian
19	19		19	Sub-total

**CITY OF DANVILLE, VIRGINIA
FY 2027 AUTHORIZED FULL-TIME POSITIONS**

FY 2025	FY 2026	Changes	FY 2027	POSITION TITLE
				Motorized Equipment (Fund 44) (44110)
2	2		2	Equipment Maintenance Supervisor
17	17		17	Combination of:
				Heavy Equipment Mechanic
				Transit Mechanic
				Automotive Equipment Mechanic I
				Automotive Equipment Mechanic II
				Automotive Equipment Mechanic III
				Automotive Service Technician
				Automotive Service Attendant
				Welder
19	19		19	Sub-total
				Motorized Equipment-Communications (Fund 44) (44120)
1	1		1	Communications Systems Manager
1	1		1	Sub-total
				Motorized Equipment-Warehouse (Fund 44) (44130)
2	2		2	Public Works Warehouse Clerk
2	2		2	Sub-total
				Sewer Maintenance (Fund 51) (51210)
1	1		1	General Supervisor
1	1		1	P/W Crew Supervisor
1	1		1	CCTV Technician
8	8		8	Combination of:
				Heavy Equipment Operator
				Motor Equipment Operator I
				Motor Equipment Operator II
				Motor Equipment Operator III
				Public Service Worker
				Public Service Worker/ Operator
11	11		11	Sub-total
				Sanitation - Code Enforcement (Fund 58) (58150)
2	2		2	Code Enforcement Inspector
2	2		2	Sub-total

CITY OF DANVILLE, VIRGINIA
FY 2027 AUTHORIZED FULL-TIME POSITIONS

FY 2025	FY 2026	Changes	FY 2027	POSITION TITLE
Sanitation - Composting (Fund 58) (58120)				
2	2		2	Combination of: Weighmaster Sanitation Operator I Sanitation Operator II
<u>2</u>	<u>2</u>		<u>2</u>	Sub-total
Sanitation - Recycling (Fund 58) (58140)				
1	1	(1)		Recycling Center Operator
4	4	(2)	2	Combination of: Sanitation Operator I Sanitation Operator II Public Service Worker Public Service Worker/Operator
<u>5</u>	<u>5</u>	<u>(3)</u>	<u>2</u>	Sub-total
Sanitation - Refuse Collection (Fund 58) (58110)				
1	1		1	Division Director of Sanitation
1	1		1	General Supervisor
11	11		11	Combination of: Sanitation Operator II Sanitation Operator I PW Crew Supervisor Public Service Worker Public Service Worker/Operator Solid Waste Collector
<u>13</u>	<u>13</u>		<u>13</u>	Sub-total
Sanitation - Yardwaste (Fund 58) (58130)				
10	10	2	12	Combination of: PW Crew Supervisor Sanitation Operator I Sanitation Operator II Public Service Worker Public Service Worker/Operator
<u>10</u>	<u>10</u>	<u>2</u>	<u>12</u>	Sub-total

**CITY OF DANVILLE, VIRGINIA
FY 2027 AUTHORIZED FULL-TIME POSITIONS**

FY 2025	FY 2026	Changes	FY 2027	POSITION TITLE
VDOT - Engineering (Fund 15) (15110)				
1	1		1	Assistant Director of P/W - City Engineer
4	5		5	Combination of: Public Works Chief Engineer PW Senior Project Manager PW Project Manager
8	8	1	9	Combination of: Construction Inspections Supervisor Survey Party Supervisor Sr. Public Works GIS/CAD Engineering Technician Public Works Project Engineer Construction Inspector Sr Engineering Technician Senior Secretary Engineering Aide Engineering Technician
13	14	1	15	Sub-total
VDOT - Grounds Maintenance (Fund 15) (15130)				
1	1		1	General Supervisor
1	1		1	P/W Crew Supervisor
15	15		15	Combination of: Horticulturist Motor Equipment Operator III Motor Equipment Operator II Motor Equipment Operator I Public Service Worker Public Service Worker/ Operator Groundskeeper
17	17		17	Sub-total
VDOT - Street Cleaning (Fund 15) (15125)				
7	7		7	Combination of: Public Service Worker Public Service Worker/ Operator Motor Equipment Operator III Motor Equipment Operator II Motor Equipment Operator I
7	7		7	Sub-total

CITY OF DANVILLE, VIRGINIA
FY 2027 AUTHORIZED FULL-TIME POSITIONS

FY 2025	FY 2026	Changes	FY 2027	POSITION TITLE
VDOT - Street Maintenance (Fund 15) (15120)				
1	1		1	Division Director of Streets
1	1		1	Training & Safety Manager
2	2		2	General Supervisor
3	3		3	P/W Crew Supervisor
1	1		1	Code Enforcement Inspector
1	1		1	Application Specialist I
26	28		28	Combination of: Heavy Equipment Operator Construction Inspector Motor Equipment Operator III Motor Equipment Operator II Motor Equipment Operator I Public Service Worker Public Service Worker/ Operator Groundskeeper
35	37		37	Sub-total
VDOT - Traffic Control (Fund 15) (15115)				
1	1		1	General Supervisor
1	1		1	Traffic Control Crew Supervisor
1	1		1	Sign Technician
6	6		6	Combination of: Senior Traffic Signal Technician Traffic Signal Technician Motor Equipment Operator I Motor Equipment Operator II Motor Equipment Operator III Public Service Worker Public Service Worker/ Operator
9	9		9	Sub-total
187	191		191	TOTAL PUBLIC WORKS DEPARTMENT
TRANSPORTATION DEPARTMENT				
Airport (01350)				
1	1		1	Senior Administrative Assistant
1	1		1	Transportation Building & Grounds Superintendent
3	3		3	Combination of: Airport Maintenance Security Tech II Airport Maintenance Security Tech I
5	5		5	Sub-total

**CITY OF DANVILLE, VIRGINIA
FY 2027 AUTHORIZED FULL-TIME POSITIONS**

FY 2025	FY 2026	Changes	FY 2027	POSITION TITLE
Mass Transit (Fund 56) (56110)				
1	1		1	Director of Transportation Services
3	3		3	Transportation Supervisor
1	1		1	Senior Administrative Assistant
2	2		2	Transportation Dispatcher
1	1		1	Senior Account Clerk
1	1		1	Transportation Grants Specialist
1				Transportation Grant Assistant (grant funded)
30	30		30	Combination of:
				Transit Driver I
				Transit Driver II
2	2		2	Account Clerk
42	41		41	Sub-total
47	46		46	TOTAL TRANSPORTATION DEPARTMENT
UTILITIES DEPARTMENT				
Utilities Administration (Fund 54) (50100)				
1	1		1	Director of Utilities
1	1		1	Assistant Director of Utilities
1	1		1	Key Accounts Manager
1	1		1	IT Scada Systems Analyst
1				Utilities Energy Advisor
	1		1	Data Scientist
5	5		5	Sub-total
Utilities - Fiscal Services (Fund 54) (50110)				
1	1		1	Division Director of Support Services
1				Senior Secretary
1				Accountant II
1	1		1	Training & Safety Manager
1	1		1	Facilities & Fleet Manager
1	1		1	Utilities Warehouse Manager
1	1	(1)		Custodian
2	3		3	Senior Account Clerk
3	3		3	Combination of:
				Warehouse Stock Clerk
				Senior Warehouse Stock Clerk
12	11	(1)	10	Sub-total

**CITY OF DANVILLE, VIRGINIA
FY 2027 AUTHORIZED FULL-TIME POSITIONS**

FY 2025	FY 2026	Changes	FY 2027	POSITION TITLE
Water Treatment Administration (Fund 52) (52100)				
1	1		1	Division Director of Water/Wastewater Treatment
1	1		1	Senior Secretary
2	2		2	Sub-total
Water Treatment (Fund 52) (52130)				
1	1		1	Water Treatment Manager
1	1		1	Water Chemist
3	3		3	Combination of: Bldg Maintenance Superintendent Senior Industrial Mechanic Industrial Mechanic
9	9		9	Combination of: Water Treatment Plant Operator Supervisor Water Treatment Plant Operator I Water Treatment Plant Operator II Water Treatment Plant Operator III Water Treatment Plant Operator Trainee
14	14		14	Sub-total
Gas Administration (Fund 53) (53100)				
1	1		1	Division Director of Water & Gas
1	1		1	Sub-total
Gas Control (Fund 53) (53130)				
1	1		1	Gas Supply Analyst
2	2		2	Gas Control Technician
3	3		3	Sub-total
Water & Gas Distribution (Fund 53) (53220)				
1	1		1	Water and Gas Distribution Superintendent
				Water and Gas Distribution Supervisor
6	6		6	Combination of: Water and Gas Crew Supervisor W&G Construction Crew Supervisor Water and Gas Corrosion/Welder Supervisor
15	15		15	Combination of: Heavy Equipment Operator Motor Equipment Operator II Motor Equipment Operator III Utilities Pipeline Technician III Utilities Pipeline Technician II Utilities Pipeline Technician I Construction Worker

**CITY OF DANVILLE, VIRGINIA
FY 2027 AUTHORIZED FULL-TIME POSITIONS**

FY 2025	FY 2026	Changes	FY 2027	POSITION TITLE
22	22		22	Sub-total
				Water & Gas Engineering (Fund 53) (53210)
1	1		1	W&G Chief Engineer
2	2		2	Water and Gas Senior Engineer Tech.
1	1		1	Water and Gas Compliance Coordinator
1	1		1	Construction Inspector
2	2		2	Combination of: Water and Gas GIS Engineer Tech. Water and Gas Senior GIS/CAD Technician
7	7		7	Sub-total
				Water & Gas Meters & Regulators (Fund 53) (53240)
1	1		1	Water & Gas Systems Control Superintendent
2	2		2	Water and Gas Meter Tech.
3	3		3	Sub-total
				Water & Gas Service (Fund 53) (53230)
7	7		7	Water and Gas Service Tech.
1	1		1	Dispatcher
8	8		8	Sub-total
				Electric Administration (Fund 54) (54100)
1	1		1	Division Director of Power & Light
1	1		1	Sub-total
				Electric Distribution (Fund 54) (54120)
1	1		1	Electric Distribution Superintendent
3	3		3	Electric Line Crew Supervisor
2	2		2	Inspector-Contractor Manager
18	18		18	Combination of: Electric Line Technician III Electric Line Technician II Electric Line Technician I Electric Ground Worker Electric OH/UG Equipment Operator
3	3		3	Electric Right of Way Trimmer
1	1		1	Dispatcher
28	28		28	Sub-total

**CITY OF DANVILLE, VIRGINIA
FY 2027 AUTHORIZED FULL-TIME POSITIONS**

FY 2025	FY 2026	Changes	FY 2027	POSITION TITLE
Electric Engineering (Fund 54) (54110)				
1	1		1	Electric Engineering Tech Manager
				Electric Engineering Technician/Compliance Coordinator
1	1		1	Senior Electric GIS/CAD Technician
5	5		5	Combination of:
				Electric Senior Engineering Technician
				Electric Engineering Technician
				Electric Engineering Aide
1	1		1	Senior Electric Engineer
				Electric Engineer
		1	1	Utility Administrative Assistant
1	1	(1)		Senior Secretary
9	9		9	Sub-total
Electric Meters (Fund 54) (54140)				
1	1		1	Electric Meter Supervisor
1	1		1	AMI Support Technician
3	3		3	Combination of:
				Electric Meter Technician I
				Electric Meter Technician II
				Electric Meter Technician III
5	5		5	Sub-total
Electric Substations (Fund 54) (54130)				
1	1		1	Electric Substation Supervisor
1	1		1	Utility Operations Supervisor
11	11		11	Combination of:
				Utility Operator
				Electric Substation Technician
13	13		13	Sub-total
Telecommunications (Fund 55) (55110)				
1	1		1	Division Director of Telecommunications
1	1		1	Broadband Network Engineering Technician
2	2		2	Sub-total
135	134	(1)	133	TOTAL UTILITIES DEPARTMENT

CITY OF DANVILLE, VIRGINIA
FY 2027 AUTHORIZED FULL-TIME POSITIONS

FY 2025	FY 2026	Changes	FY 2027	POSITION TITLE
1,090	1,100	7	1,107	TOTAL CITY FULL-TIME POSITIONS
				CONSTITUTIONAL OFFICES (partially funded by City)
13	13		13	Commissioner of the Revenue (01120)
5	5		5	City Treasurer (01125)
16	16		16	Clerk of Circuit Court (01156)
87	87		87	Sheriff's Office (2 funded by DPCS) (01140)
23	23		23	Commonwealth Attorney (3 grant funded) (01130, 01131)
144	144		144	TOTAL CONSTITUTIONAL OFFICES
1,234	1,244	7	1,251	GRAND TOTAL
FULL-TIME POSITIONS BY FUND				
741	749	11	760	General Fund (<i>Constitutional Offices not included, see below</i>)
81	84	1	85	VDOT Fund
4	4		4	Central Services
22	22		22	Motorized Equipment
42	41		41	Transportation Fund
32	32	(1)	31	Sanitation Fund
13	13		13	Cemetery Fund
11	11		11	Wastewater (Sewer) Fund
16	16		16	Water Fund
44	44		44	Gas Fund
73	72	(1)	71	Electric Fund
2	2		2	Telecommunications Fund
1,081	1,090	10	1,100	Sub-total
9	10	(3)	7	CDBG Fund
144	144		144	Constitutional Offices
1,234	1,244	7	1,251	GRAND TOTAL

**Council Letter
City of Danville, Virginia**



CL - 2701

OLD BUSINESS B.

City Council REGULAR MEETING

Meeting Date: June 16, 2026

Subject: Consideration of a Personal Property Tax Decrease.

From: Henrietta Weaver, Budget Director

COUNCIL ACTION

An Ordinance of the Council of the City of Danville, Virginia Amending and Reordaining Section 37-30 of the Danville City Code to Decrease the Personal Property Tax from \$3.45 per \$100 of Assessed Value to \$3.35 per \$100 of Assessed Value Effective January 1, 2027.

Final Adoption

SUMMARY

The Fiscal Year 2027 budget proposes a \$0.10 reduction in the Tangible Personal Property Tax rate from \$3.45 per \$100 of assessed value to \$3.35 per \$100 of assessed value.

RECOMMENDATION

It is recommended that City Council approve the attached ordinance amending the City Code for the tax on tangible personal property.

Attachments

1. Ordinance
-

PRESENTED: _____

ADOPTED: _____

ORDINANCE NO. 2026____ . ____

AN ORDINANCE OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA AMENDING AND REORDAINING SECTION 37-30 OF THE DANVILLE CITY CODE TO DECREASE THE PERSONAL PROPERTY TAX FROM \$3.45 PER \$100 OF ASSESSED VALUE TO \$3.35 PER \$100 OF ASSESSED VALUE EFFECTIVE JANUARY 1, 2027.

NOW THEREFORE, BE IT ORDAINED by the Council of the City of Danville, Virginia, that Section 37-30, entitled "Tax on tangible personal property generally", of the Article II, entitled "Levy and Rate of Tax on Real Estate, Tangible Personal Property, etc.", of Chapter 37, entitled "Taxation", of the Code of the City of Danville, Virginia, 1986, as amended, be, and the same is hereby, amended and reordained to read as follows:

Chapter 37 – Taxation

Article II: Levy and Rate on Real Estate, Tangible Personal Property, etc.

Sec. 37.30. – Tax on tangible personal property generally.

Pursuant to sections 58.1-3000 and 58.1-3008 of the Code of Virginia, on all tangible personal property there shall be a tax of ~~three dollars and forty-five cent (\$3.45)~~ **three dollars and thirty-five cent (\$3.35)** on every one hundred dollars (\$100.00) of the assessed value thereon except for all aircraft which shall be taxed as a separate class of property pursuant to section 58.1-3506 of the Code of Virginia and as more specifically set forth in section 37-36 of this Code; provided, however, that the following household goods, personal effects and agricultural property are eliminated from such tax pursuant to sections 58.1-3504 and 58.1-3505 of the Code of Virginia::

(1) Bicycles.

(2) Household and kitchen furniture, including gold and silver plates, plated ware, watches and clocks, sewing machines, refrigerators, automatic

refrigerating machinery of any type, vacuum cleaners and all other household machinery, books, firearms and weapons of all kinds.

(3) Pianos, organs, phonographs and record players and records to be used therewith and all other musical instruments of whatever kind, radio and television instruments and equipment.

(4) Oil paintings, pictures, statuary, curios, articles of virtu and works of art.

(5) Diamonds, cameos or other precious stones and all precious metal used as ornaments or jewelry.

(6) Sporting and photographic equipment.

(7) Clothing and objects of apparel.

(8) All other tangible personal property used by an individual or a family or household incident to maintaining an abode.

(9) Horses, mules and other kindred animals.

(10) Cattle.

(11) Sheep and goats.

(12) Hogs.

(13) Poultry.

(14) Grains and other feeds used for the nurture of farm animals.

(15) Grain; tobacco; wine produced by farm wineries as defined in section 4-2(10a) of the Code of Virginia; and other agricultural products in the hand of a producer.

(16) Farm machinery and farm implements, which shall include equipment and machinery used by farm wineries, as defined in section 4-2(10a) of the Code of Virginia, in the production of wine.

(17) Equipment used by farmers or farm cooperatives qualifying under section 521 of the Internal Revenue Code to manufacture industrial ethanol, provided

that the materials from which the ethanol is derived consist primarily of farm products.

AND BE IT FURTHER ORDAINED that all other provisions and Sections of said Article, Chapter and Code be, and the same are hereby, continued in full force and effect unless and until the same are hereafter amended or repealed; and

BE IT FINALLY ORDAINED that this Ordinance shall be and become effective on and as of January 1, 2027.

Approved:

Mayor

Attest:

Clerk

Approved as to
Form and Legal Sufficiency:

City Attorney

Council Letter
City of Danville, Virginia



CL - 2801

OLD BUSINESS C.

City Council REGULAR MEETING

Meeting Date: June 16, 2026

Subject: Consideration of Eliminating Vehicle License Fee Effective January 1, 2027.

From: Henrietta Weaver, Budget Director

COUNCIL ACTION

An Ordinance of the Council of the City of Danville, Virginia Eliminating the Vehicle License Fee of the City of Danville, Virginia Effective January 1, 2027.

Final Adoption

SUMMARY

The Fiscal Year 2027 Budget contains a recommendation to eliminate the vehicle license fee of \$25 effective January 1, 2027.

BACKGROUND

On June 6, 2006, the City discontinued the requirement for vehicle decals. In place of the decal program, a local vehicle license fee was implemented pursuant to Virginia Code § 46.2-752 and has since been incorporated into the first half tax bill.

The City will discontinue the assessment of the local vehicle license fee effective January 1, 2027. The Fiscal Year 2027 budget reflects this policy change by eliminating the associated fee and removing the associated revenue estimate.

RECOMMENDATION

It is recommended that City Council adopt the attached ordinance eliminating the vehicle license fee.

Attachments

1. Ordinance
-

PRESENTED: _____

ADOPTED: _____

ORDINANCE NO. 2026-____. ____

AN ORDINANCE OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA
ELIMINATING THE VEHICLE LICENSE FEE OF THE CITY OF DANVILLE, VIRGINIA
EFFECTIVE JANUARY 1, 2027.

WHEREAS, Virginia Code § 46.2-752 authorizes any county, city, or town to impose a
local vehicle license fee on motor vehicles, trailers, and semitrailers; and

WHEREAS, the City of Danville has heretofore imposed a vehicle license fee of twenty-
five dollars (\$25.00) per vehicle pursuant to Virginia Code § 46.2-752; and

WHEREAS, the Council of the City of Danville desires to eliminate the vehicle license
fee effective January 1, 2027;

NOW THEREFORE, BE IT ORDAINED, by the Council of the City of Danville, Virginia,
that the vehicle license fee as currently authorized under Virginia Code § 46.2-752 be, and the
same is hereby, eliminated in accordance with the schedule which is hereto and made a part
hereof, as if fully set forth within, as follows:

Schedule I. Vehicle License Fee

AND BE IT FURTHER ORDAINED that this Ordinance shall be and become
effective on and as of January 1, 2027, except where otherwise stated.

Approved:

Mayor

Attest:

Clerk

Approved as to
Form and Legal Sufficiency:

City Attorney

**CITY OF DANVILLE
EFFECTIVE JANUARY 1, 2027**

Pursuant to Danville City Code § 2-9 and Danville City Charter § 2-6.

FEE	CURRENT	PROPOSED
Vehicle License Fee	\$25	\$0

Council Letter
City of Danville, Virginia



CL - 2759

NEW BUSINESS A.

City Council REGULAR MEETING

Meeting Date: June 16, 2026

Subject: Review of General Fund Financials as of May 31, 2026.

From: Michael Adkins, Assistant City Manager-Chief Financial Officer

COUNCIL ACTION

Review of General Fund Financials as of May 31, 2026. Financial Statements are included.

Attachments

1. Financial Statements
-



CITY OF DANVILLE

Department of Finance

To: Ken F. Larking, City Manager
Michael L. Adkins, Assistant City Manager

From: Amy Chandler, Director of Finance

Date: June 8, 2026

Subject: Summary of Preliminary General Fund Financial Results for May 31, 2026

After completing the first eleven months of the fiscal year, revenues are tracking well with budget and are ahead of the previous year. As of May 31, General Fund revenues totaled \$163,350,059, representing 87% of the FY2026 budget. Last year at this time, revenues totaled \$152,056,658, 92% of budget. The increase compared to the prior year is primarily attributable to growth in local taxes, along with an increase in Other Local Taxes driven by tourism-related revenue and an increase in Intergovernmental revenues due to an increase in the Gaming Tax Revenue. Notable increases in Other Local Taxes were seen in Meals Tax as well as the Caesars direct payments.

General Property Tax collections continue to perform well with 74% of the budgeted property tax realized at the end of May. More specifically, real estate tax collections through the end of May amounted to \$18,618,821, or 71% of budget. Delinquent real estate tax collections continued to perform well, totaling \$1,149,439.88 through May, representing 101% of the current-year budget.

Local taxes collected through May 31 amounted to \$50,864,809, or 87% of budget, exceeding FY 2025 collections for the same period by \$3.4 million. Sales tax collections through May continue to lag budget and amounted to \$11,958,543, or 85% of budget. Meals taxes collected for the first eleven months of the fiscal year amounted to \$12,562,449 or 90% of budget, an increase of \$666,631 from last year. Business Licenses realized at the end of May were \$7,030,784, or 82% of budget. Lodging taxes received as of May 31 were \$3,279,226 or 89% of budget, an increase of \$31,805 over the prior year. All other revenue categories are tracking well with budget at this point.

Expenditures through May 31 totaled \$178,583,583, or 90% of the budget, representing an overall increase of \$19.5 million compared to May 31, 2025. Departmental spending for the first eleven months of the fiscal year amounted to \$91.3 million, or 84% of budget, an increase of \$6.9 million over the prior year. This increase is primarily driven by an increase in salaries and benefits, increased worker's compensation claims, along with budgeted increases for motor vehicle purchases for public safety as well as budgeted increases for demolition expenses. The remaining

DANVILLE, VA

overall increase is attributable to increases in non-departmental expenditures related to increased debt service as well as an increase in group health insurance, and an increase in Transfers to Capital Projects and Other Funds due to timing differences of when the transfers occurred in FY 2025 versus FY 2026.

General Fund expenditures exceeded revenues by \$15,233,524, an improvement of nearly \$14.0 million when compared to the deficit of \$29,121,692 as of April 30, 2026. Typically, the General Fund is in a deficit for most of the fiscal year due to the timing of revenue recognition not being matched to expenditures. The next influx of revenue is incurring now as real estate and personal property tax bills are being levied. At this point, the General Fund is performing as expected with several revenues exceeding budgeted expectations and departmental expenditures trailing budget. We will continue to monitor the financial performance in the General Fund and alert you of any significant developments.

CITY OF DANVILLE, VIRGINIA
GENERAL FUND REPORT
92% OF YEAR LAPSED AS OF MAY 31, 2026

****PRE-CLOSING FIGURES - SUBJECT TO CHANGE - UNAUDITED****

	Budgets & Appropriations For Current Year	Actual Revenues & Expenditures For Year-to-Date	Percent Realized/Expended This Year	Encumbrances	Balance to be Realized/Expended	Actual Revenues & Expenditures At This Date Last Year
REVENUES:						
Property Taxes	\$ 48,213,680	\$ 35,432,762	73.49%		\$ 12,780,918	\$ 33,888,530
Other Local Taxes	58,297,800	50,864,809	87.25%		7,432,991	47,423,299
License Permits & Privilege Fees	606,510	496,873	81.92%		109,637	454,760
Fines & Forfeitures	526,660	371,689	70.57%		154,971	207,292
Revenue From Use Money & Property	2,953,832	3,542,224	119.92%		(588,393)	3,845,837
Charges For Services	3,498,770	3,374,408	96.45%		124,362	3,363,550
Miscellaneous Revenue	25,100	186,037	741.18%		(160,937)	188,060
Recovered Cost	11,245,430	9,697,634	86.24%		1,547,795	9,378,259
Intergovernmental	46,010,022	45,006,624	97.82%		1,003,398	39,018,072
Transfers From Utilities	15,684,000	14,377,000	91.67%		1,307,000	14,289,000
TOTAL REVENUES	\$ 187,061,804	\$ 163,350,059	87.32%		\$ 23,711,744	\$ 152,056,658
EXPENDITURES:						
General Government Administration	\$ 18,157,337	\$ 14,962,112	82.40%	\$ 421,922	\$ 2,773,303	\$ 13,761,124
Judicial Administration	10,155,844	8,606,353	84.74%	5,278	1,544,214	8,259,312
Public Safety	48,819,778	41,974,665	85.98%	324,176	6,520,937	37,989,931
Public Works	6,561,373	5,904,797	89.99%	108,959	547,618	4,982,937
Health, Education, Welfare & Soc. Svc.	11,815,722	9,454,870	80.02%	115,437	2,245,414	9,838,228
Parks, Recreation & Cultural	8,004,093	6,130,489	76.59%	44,314	1,829,289	5,754,472
Community Development	5,618,597	4,274,855	76.08%	121,036	1,222,707	3,796,007
Non-Departmental	16,711,319	18,287,198	109.43%	-	(1,575,878)	16,611,081
Education	34,383,070	34,360,325	99.93%	-	22,745	31,137,334
Transfer to Capital Projects	28,229,333	27,971,035	99.09%	-	258,298	24,434,751
Transfer to Other Funds	10,414,190	6,656,885	63.92%	-	3,757,305	2,529,480
TOTAL EXPENDITURES	\$ 198,870,657	\$ 178,583,583	89.80%	\$ 1,141,123	\$ 19,145,951	\$ 159,094,658
Revenue over(under) Expenditures		<u>\$ (15,233,524)</u>				<u>\$ (7,038,000)</u>
FUND BALANCE:						
Beginning Fund Balance 07/01/2025		\$ 69,331,450				\$ 63,543,749
Revenue over(under) Expenditures		(15,233,524)				(7,038,000)
Ending Fund Balance 5/31/26		<u>\$ 54,097,926</u>				<u>\$ 56,505,749</u>
Composition of Fund Balance:						
Reserved for Encumbrances/Designated Funds		\$ 5,232,953				\$ 9,412,418
Unassigned		<u>48,864,973</u>				<u>47,093,331</u>
TOTAL FUND BALANCE 5/31/26		<u>\$ 54,097,926</u>				<u>\$ 56,505,749</u>

**CITY OF DANVILLE, VIRGINIA
GENERAL FUND
COMPOSITION OF FUND BALANCE
PRELIMINARY - AS OF MAY 31, 2026**

Beginning Total Fund Balance, July 1, 2025	69,331,449.97
Add: General Fund Revenues	163,350,059.45
Deduct: General Fund Expenditures Ending	<u>(178,583,583.02)</u>
Total Fund Balance, May 31, 2026	<u><u>54,097,926.40</u></u>

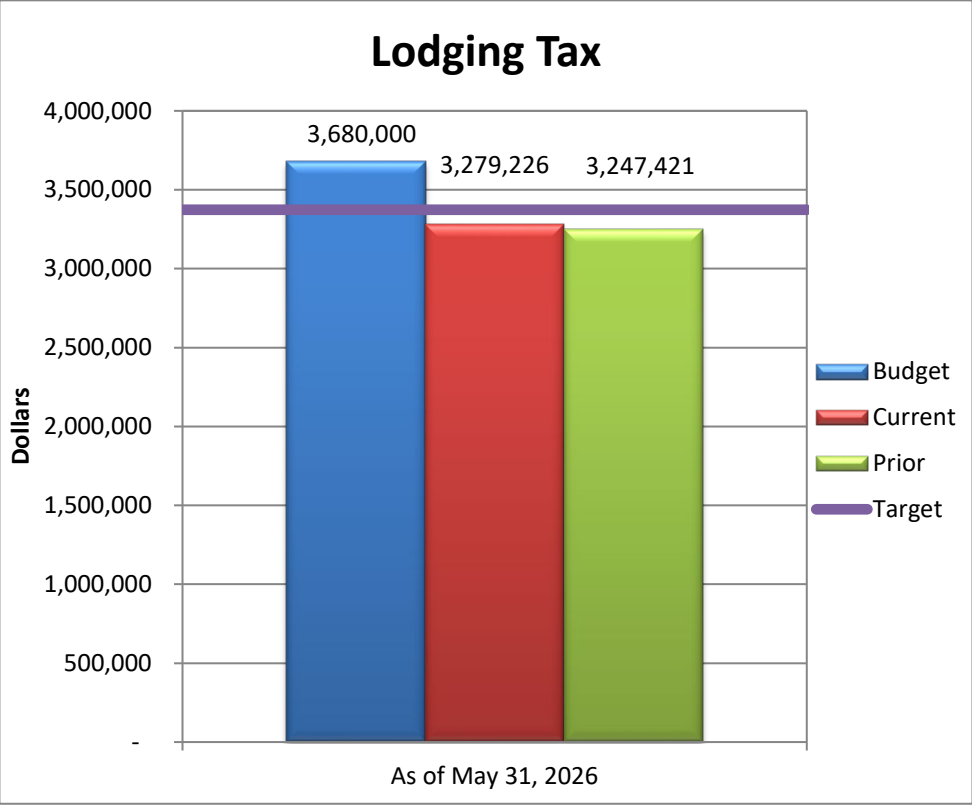
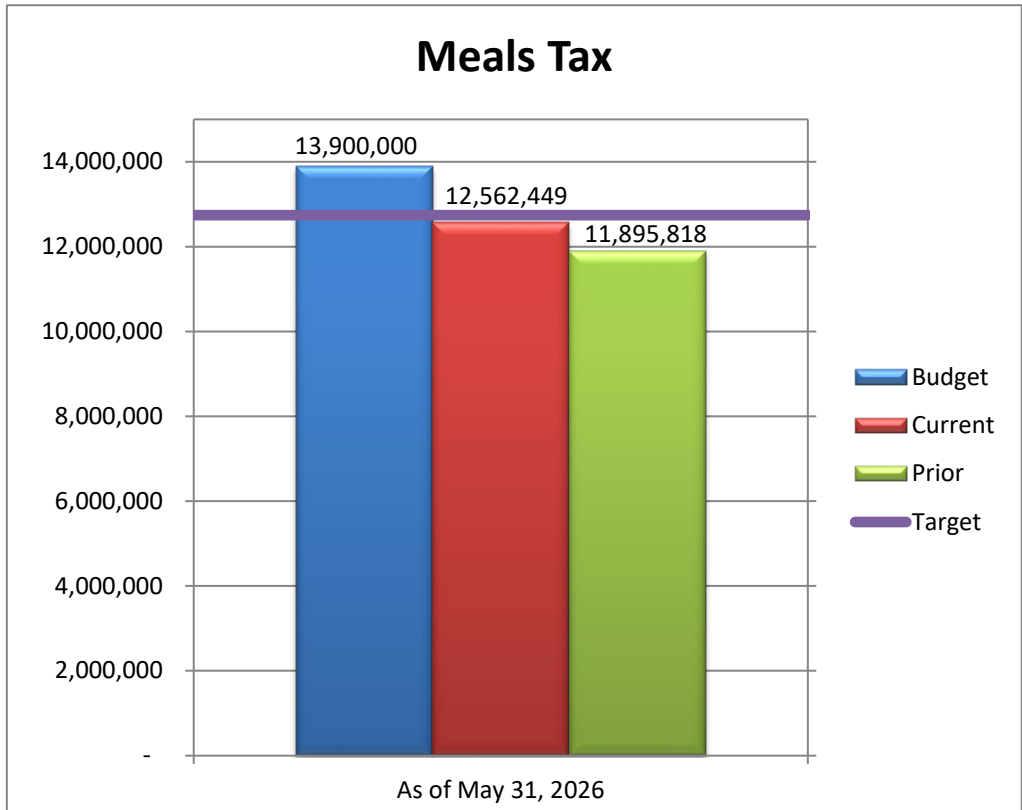
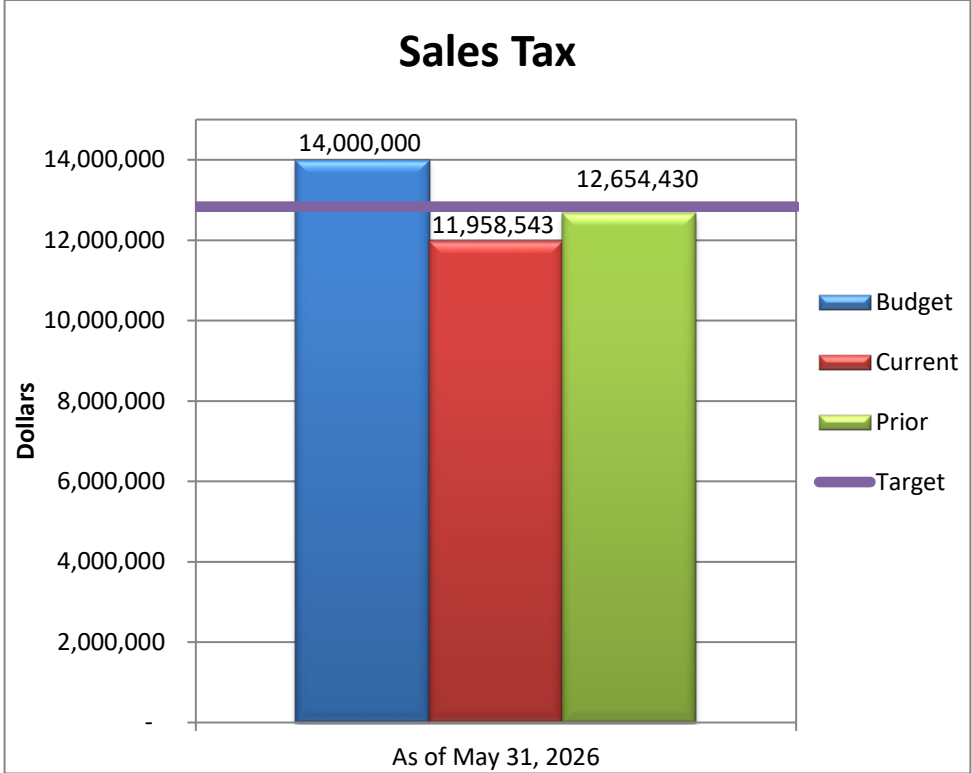
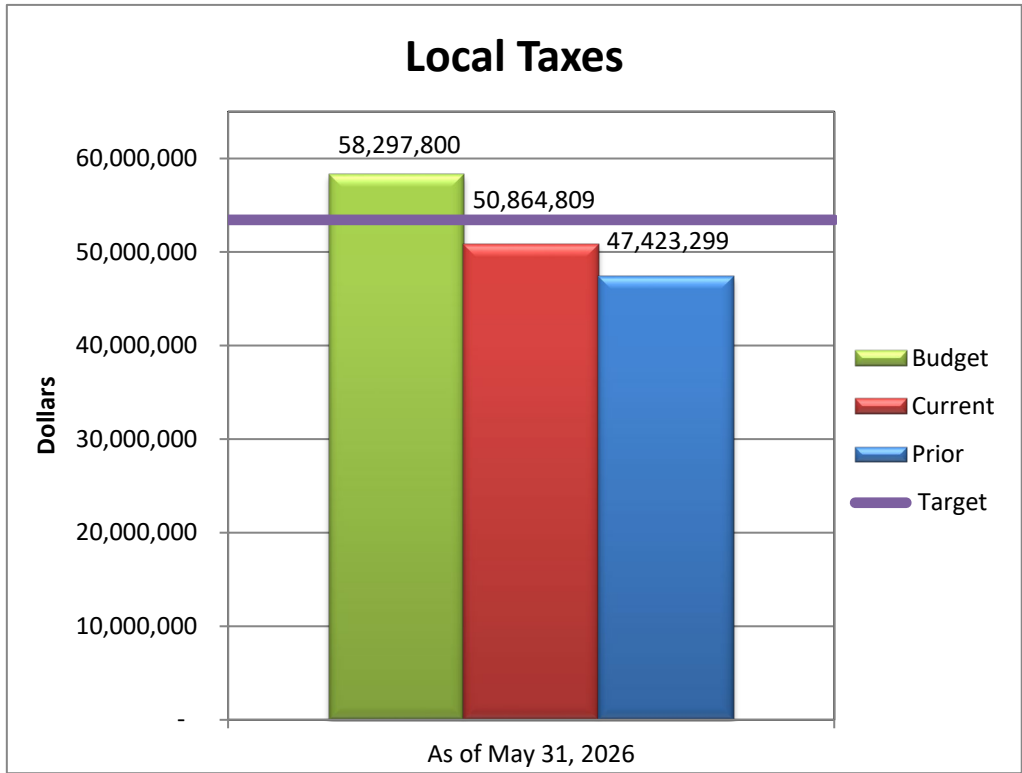
Composition of Fund Balance:

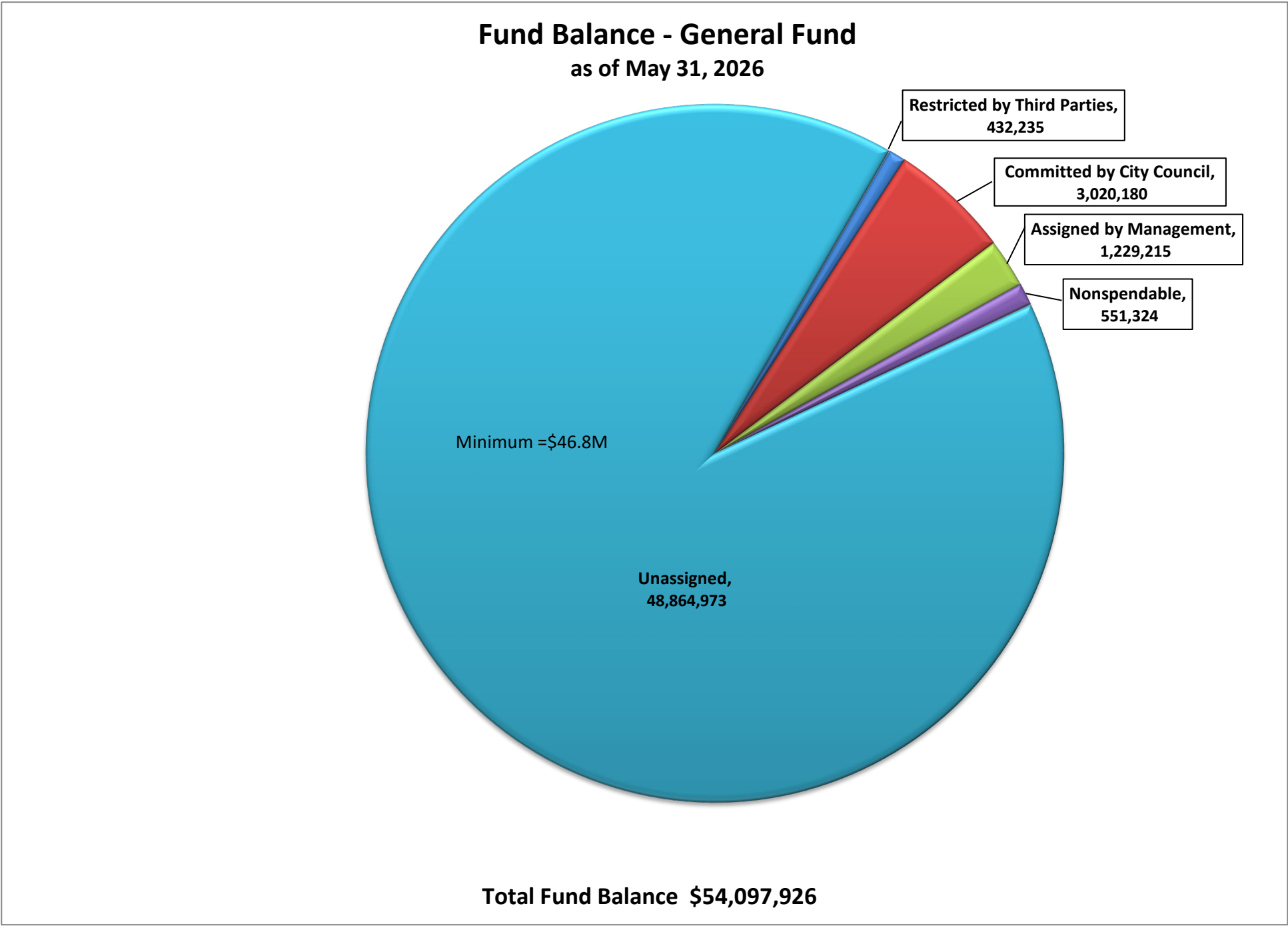
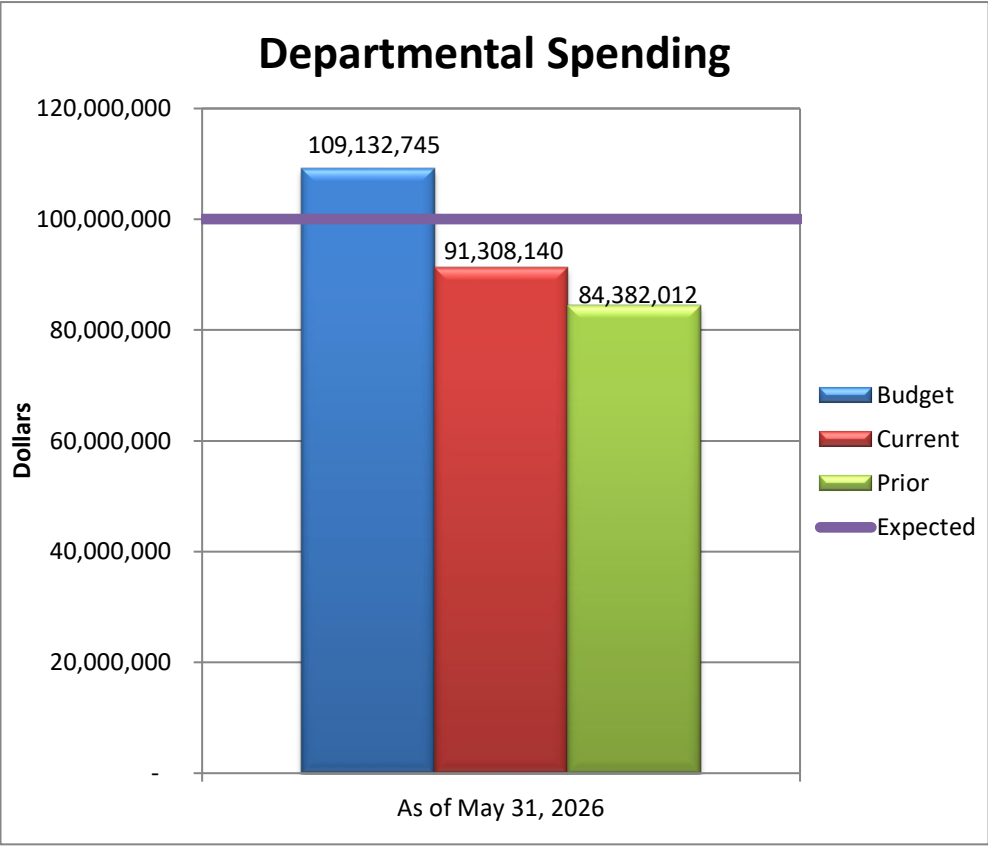
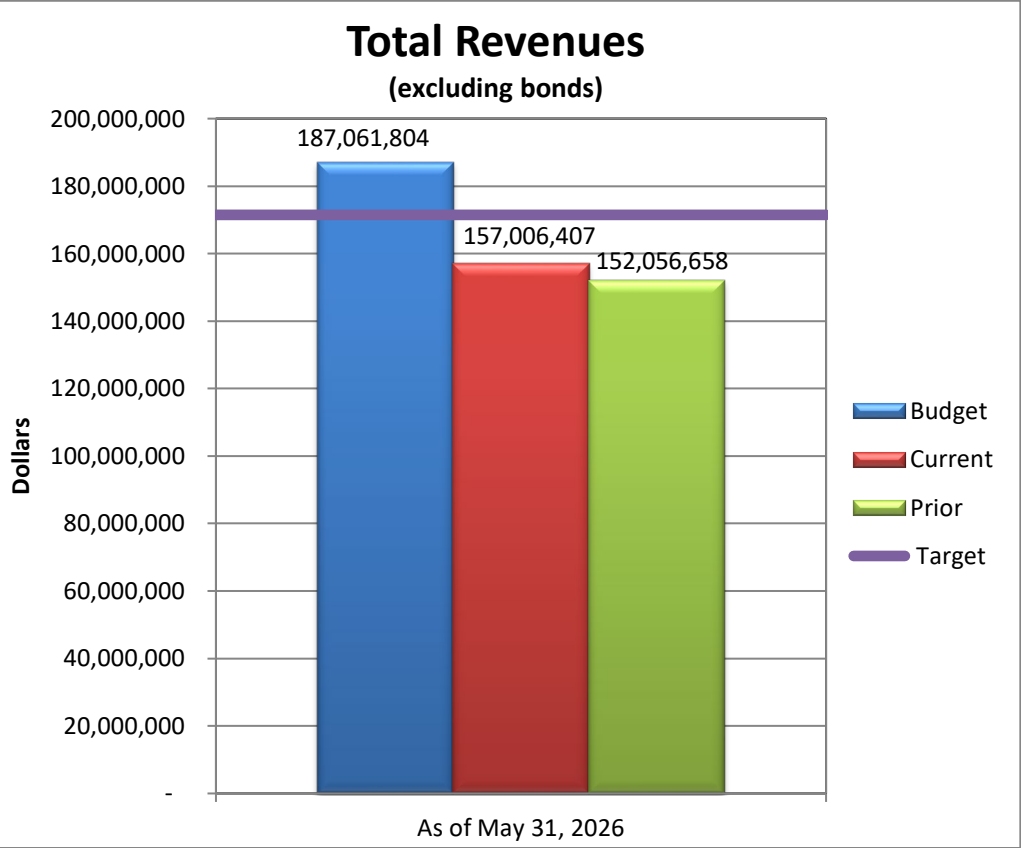
Restricted for Commonwealth Attorney	133,587.97
Restricted for Police Department	153,858.29
Restricted for Fire Department	144,788.35
Committed for Sheriff's Department	20,180.18
Committed to Schools	-
Committed to Budget Stabilization	3,000,000.00
Assigned to Sheriff's Department	17,182.13
Assigned to Community Development	70,909.84
Assigned for Encumbrances	1,141,123.05
Assigned Casino Revenue	-
Nonspendable (Inventory and Prepaids)	551,323.68
UNASSIGNED	<u>48,864,972.91</u>
Total Fund Balance, May 31, 2026	<u><u>54,097,926.40</u></u>
	-

Unassigned fund balance from above	48,864,972.91
Unassigned Minimum per policy (25% of General Fund Operating Revenues) based on FY 2026 budget	<u>46,765,450.89</u>
Current surplus (deficit) over (under) minimum	2,099,522.02

City of Danville, Virginia
Summary of Other Local Tax Revenues - PRE-CLOSING - UNAUDITED
For the period ending May 31, 2026

Description	Current Budget	Revenue Realized	Percentage Realized	Prior Year Budget	Prior Year Realized	Percentage Prior Year
Sales Tax	\$ 14,000,000	\$ 11,958,543	85.42%	\$ 13,000,000	\$ 12,654,430	97.34%
Business Licenses	8,582,000	7,030,784	81.92%	7,642,000	8,369,537	109.52%
Meals Tax	13,900,000	12,562,449	90.38%	12,100,000	11,895,818	98.31%
Utility Taxes	930,000	864,531	92.96%	930,000	815,045	87.64%
Vehicle License Fees	1,000,000	724,223	72.42%	1,025,000	747,171	72.89%
Bank Stock Tax	1,100,000	666,704	60.61%	1,100,000	796,879	72.44%
Recordation Tax	370,000	443,993	120.00%	370,000	318,195	86.00%
Hotel Motel Tax	3,680,000	3,279,226	89.11%	3,525,000	3,247,421	92.13%
Daily Property Rental Tax	20,800	45,771	220.05%	20,800	47,834	229.97%
Motor Vehicle Tax	240,000	190,897	79.54%	240,000	186,142	77.56%
DMV Fees	275,000	230,481	83.81%	275,000	225,676	82.06%
Ceasars Min Fee	14,200,000	12,867,207	90.61%	9,150,000	8,119,150	88.73%
TOTAL	\$ 58,297,800	\$ 50,864,809	87.25%	\$ 49,377,800	\$ 47,423,299	96.04%





Council Letter City of Danville, Virginia



CL - 2740

NEW BUSINESS B.

City Council REGULAR MEETING

Meeting Date: June 16, 2026

Subject: Airport Land Lease Agreement.

From: Marc Adelman, Director of Transportation Services

COUNCIL ACTION

1. Public Hearing
2. A Resolution of the Council of the City of Danville, Virginia Approving a Request from the Air Methods Corporation for the City of Danville to Enter into a Land Lease Agreement to Construct a Modular Building at the Danville Regional Airport to Support Air Ambulance Operations.

SUMMARY

Danville City Council previously approved a land lease agreement with the Air Methods Corporation in September 2024 to support the construction of a modular building at the Danville Regional Airport, and establish air ambulance operations. However, Air Methods was unable to execute the 2024 lease due to hospital care agreement issues. The company would like to execute a new land lease to support the startup of air ambulance operations this summer.

BACKGROUND

A land lease agreement with the Air Methods Corporation was previously approved by City Council in 2024 to facilitate air ambulance operations at the Danville Regional Airport. The company was unable to execute the lease in 2024 citing hospital care agreement issues. This spring, Air Methods expressed interest in constructing a modular building, so air ambulance operations could begin this summer. Consequently, a new land lease agreement must be executed to support building construction. The modular building will be located in the T-hangar building area as shown in the exhibit.

RECOMMENDATION

It is recommended that Danville City Council approve the land lease agreement with the Air Methods Corporation.

Attachments

1. Resolution
 2. Land Lease
 3. Exhibit A
-

PRESENTED: _____

ADOPTED: _____

RESOLUTION NO. 2026- _____ . _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA APPROVING A REQUEST FROM THE AIR METHODS CORPORATION FOR THE CITY OF DANVILLE TO ENTER INTO A LAND LEASE AGREEMENT TO CONSTRUCT A MODULAR BUILDING AT THE DANVILLE REGIONAL AIRPORT TO SUPPORT AIR AMBULANCE OPERATIONS.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Danville, Virginia, that a Land Lease Agreement between the City of Danville and the Air Methods Corporation substantially in the form attached hereto and a part hereof, be and the same is hereby authorized and approved; and

AND BE IT FINALLY RESOLVED that the City Manager, Ken Larking, be and 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

LAND LEASE

This Land Lease (this "Lease") is made and entered into as of the date this Lease is fully executed by authorized representatives of each of the parties hereto (the "Effective Date"), and is by and between the CITY OF DANVILLE, VIRGINIA, a municipal corporation of the Commonwealth of Virginia, hereinafter called the "Lessor," or "City," and AIR METHODS, LLC, a Delaware limited liability company with a principal place of business at 5500 S. Quebec St, Suite 300, Greenwood Village, CO 80111, hereinafter called the "Lessee."

WHEREAS, Lessor now owns, controls, and operates the Airport known as Danville Regional Airport (the "Airport") in the City of Danville, Virginia; and

WHEREAS, Lessee desires to lease that certain parcel of land located at the Danville Regional Airport and described as Parcel 76366 (the "Parcel"), as described in detail on the Plat in Exhibit A, which is attached hereto and incorporated herein by this reference, for the purpose of constructing and maintaining a modular building to utilize as overnight crew quarters and utilizing the northeast side of the south ramp to park its aircraft; and

WHEREAS, Lessee desires to lease exclusively five (5) parking spaces and one (1) disabled parking space for a total of six (6) parking spaces as shown on Exhibit A; and

WHEREAS, the Lessor desires to lease the Parcel to Lessee for said purposes.

NOW, THEREFORE, in consideration of the promises and the mutual covenants herein contained, and subject to those terms and conditions set forth below, the parties hereby agree as follows:

ARTICLE I

USE AND TERM

Lessee's use and occupancy of the Parcel shall be for the purpose of operating an air ambulance service and uses which are necessary for such operation and which are not excluded by this Lease.

The initial term of this Lease shall be for an initial period of three (3) years, commencing on the Effective Date, unless earlier terminated as provided herein. Possession of the Parcel by the Lessee shall begin on the Effective Date. Upon completion of the initial term, this Lease shall automatically renew for three (3) additional consecutive periods of three (3) years each (each a renewal term, and together with the initial term, the term), unless either party provides the other with its intent not to renew at least ninety (90) days prior to the expiration of the then-current term. In no event shall this Lease extend for a period greater than twenty (20) years. Notwithstanding the foregoing, if construction of the

modular building is not finished within six (6) months after the City completes the installation of permanent water and sanitary sewer connections to support hangar construction adjacent to the modular building site, this Lease will terminate, and the Lessee will have no further rights and privileges hereunder; provided, however, that if construction is not completed within the foregoing timeframe due to reasons outside the reasonable control of Lessee (including, but not limited to, supply chain disruption, workforce shortages, acts of god, *etc.*), then this Lease will not terminate and the parties will mutually agree upon a revised construction completion deadline.

Subject to City Council approval, at the conclusion of the term of this Lease, Lessee shall have the right to enter into a new agreement with the City for the Parcel. It is understood and agreed that the rental rate specified shall be subject to reexamination and readjustment at the end of each three (3) year period of this Lease (the initial term and any renewal term(s)), provided that any readjustment of present rates shall be reasonable and within fair market value. Should Lessee elect to not enter into a new agreement, then the following will apply:

At the expiration or termination of this Lease, Lessee shall remove all temporary structures, and all permanent buildings on and permanent improvements to the Parcel will at the direction and sole discretion of the City, remain intact on the Parcel and become property of the City. For the avoidance of doubt, the City will have no rights or interest in or to any temporary structures (including any modular buildings) on the Parcel.

All permanent improvements to the Parcel (*i.e.*, the land itself) shall, without compensation to or by the City, become the City's property free and clear of all liability and expenses. Following the expiration or termination of this Lease, Lessee shall thereafter be released from any and all liability, cost or expense associated with the Parcel, including the permanent improvements thereon or thereto, or associated with termination of this Lease.

ARTICLE II RENT AND UTILITIES

Lessee shall pay to the City at the Office of Central Collections of the City of Danville for the Parcel, ground rent (inclusive of a Unicom Recovery Fee) in equal monthly installments in advance and without setoff of any kind, on the first day of each month of the term of this agreement in an amount equal to Four Hundred Fifty-Eight Dollars and Ninety-Two Cents (\$458.92) for a total of Five Thousand and Five Hundred and Seven Dollars (\$5,507.00) per Annum beginning on the date that Lessee's general contractor starts construction on the Parcel to erect a temporary structure thereon. Alternatively, Lessee may pay the full amount of the lease in one installment on an annual basis beginning on the date that

Lessee's general contractor starts construction on the Parcel to erect a temporary structure thereon. The ground rent is based on a forty-cent (\$.40) per square-foot fee to construct a 26' x 68' modular building and a Four Thousand Eight Hundred Dollar (\$4,800.00) Unicom Recovery Fee related to the Operations Advisory Tower at the Airport, which is manned seven (7) days per week from 7:00 am until 7:00 pm. Rent shall be sent by check to the following address: 424 Airport Drive, Danville, Virginia 24540.

Any rental or fees payable by Lessee hereunder which are not paid within five (5) days after Lessee's receipt from Lessor of written notice of nonpayment shall bear interest at the rate of five percent (5%). If any rental hereunder commences or terminates prior to the last day of any month, such rental for such month shall be determined on a pro rata basis according to the number of days of such month involved.

Lessee shall pay, in addition to ground rental and the charges above specified, all water rates, utility charges, permit and license fees, and taxes and assessments, general and special, if any, levied or assessed upon the Parcel, or any part thereof: or upon any building or improvements at any time situated thereof, or lawfully levied or assessed upon the leasehold interest created thereby during the initial term of this agreement or any renewal term, or lawfully assessed upon personal property, machinery and tools.

ARTICLE III ASSIGNMENT

This Lease, or any part hereof, may not be assigned, transferred or subleased by Lessee, by process or operation of law or in any other manner whatsoever, without the prior written consent of Lessor, which shall not be unreasonably withheld; provided, however, that Lessee may, without the prior consent of Lessor, assign all of its rights under this Lease to (i) a parent, subsidiary, or affiliate, (ii) a purchaser of all or substantially all assets related to this Lease, or (iii) a third party participating in a merger, acquisition, sale of assets or other corporate reorganization in which Lessee is participating. Any permitted assignee shall assume all obligations of its assignor under this Lease.

ARTICLE IV MISCELLANEOUS PROVISIONS

Non-Exclusive Rights Granted. The Lessee shall have the right to the non-exclusive use, in common with others, of the airport parking areas, and improvements; the right to install, operate, maintain and store subject to the approval of the Lessor in the interests of safety and convenience of all concerned, all equipment necessary for the safe storage of the Lessee's aircraft should the Lessee

construct a hangar; the right of ingress to and egress from the Parcel, which shall also extend to Lessee's employees, guests and patrons; the right, in common with others authorized to do so, to use common areas of the airport, including runways, taxiways, aprons, roadways, and other conveniences for the take-off, flying and landing of aircraft.

Default and Termination. If the City determines the Lessee is in violation of any of the terms, conditions or covenants of this Lease, or the Lessee fails to pay, on time, any fees or charges due, the condition shall be considered a default of the Lease.

The City shall provide the Lessee with written notices of any determination of default. The Lessee shall then have thirty (30) days to cure, or to remedy said default or otherwise comply with any demand contained within such written notice which cures or remedies the default; provided, however, such failure shall not constitute an event of default if such failure is not susceptible of being cured within thirty (30) days and Lessee diligently pursues such cure to completion.

All provisions of this Lease remain binding upon the Lessee while the Lessee is in default. In the event that Lessor defaults under the terms of this Lease, Lessee shall give Lessor written notice specifying the nature of the default and Lessor shall have thirty (30) days after receipt of such notice to cure said default. Any default by Lessor which shall continue uncured beyond the aforementioned cure period shall give Lessee the right to terminate this Lease immediately, in addition to all available rights or remedies in law or in equity.

Relinquishment and Termination. At any time, upon sixty (60) days prior written notice, provided all fees and assessments then due and owing have been fully paid and Lessee is not in default under this Lease, Lessee may relinquish this Lease to the City whereupon this Lease shall be terminated. Lessee shall not be entitled to a refund of any fees of any kind paid.

Hold Harmless. Lessee agrees to hold the Lessor free and harmless from loss from each and every third-party claim and demand that Lessor may sustain: (a) to the extent caused by or arising out of the negligence or willful misconduct of Lessee or Lessee's employees, agents or contractors, on, in, or about the Parcel or other common areas of the Airport, or (b) to the extent caused by or arising out of any breach by Lessee hereunder or default by Lessee in the performance of its obligations under this Lease that is not resolved within the applicable period to cure.

To the extent allowable by Virginia law, Lessor agrees to defend, indemnify and save Lessee harmless from and against any and all third-party claims, liabilities, losses, damages, costs, or expenses (including reasonable attorneys' fees) that Lessee may sustain: (a) to the extent caused by or arising out of the negligence or willful misconduct of Lessor, its employees, agents or contractors, or (b) to the extent caused by or arising out of any breach by Lessor hereunder or default by Lessor in the performance

of its obligations under this Lease that is not resolved within the applicable period to cure.

Limitation of Liability. In no event shall either party, its employees, agents, or contractors be liable under this Lease to the other party for any consequential, incidental, indirect, exemplary, special or punitive damages, including any damages for business interruption, loss of use, revenue or profit, whether arising out of breach of contract, tort (including negligence) or otherwise, regardless of whether such damages were foreseeable and whether or not either party was advised of the possibility of such damages.

Holding Over. In the event Lessee remains in possession of the Parcel beyond the term and Lessor accepts a rent payment for a period of time beyond the term, or otherwise acknowledges the tenancy, Lessee shall be deemed a Lessee from month-to-month, and shall pay rent at the rate established by this Lease. Any month-to-month tenancy is subject to the conditions, provisions, and obligations of this Lease.

Insurance Requirements. Lessee shall maintain a policy of Aircraft General Liability insurance insuring against such claims. Such insurance shall name the City as an additional insured. The aircraft liability insurance shall have a single limit coverage in the amount of \$5,000,000.00, or as required to meet the mandatory requirements of the Commonwealth of Virginia. Lessee shall maintain property and casualty insurance covering the improvements to the Parcel, and the contents thereof. Such insurance shall be a fire insurance policy with extended coverage endorsement including vandalism and malicious mischief. The insurance shall be on a replacement cost basis, shall apply on a primary and non-contributory basis, and shall name the City as additional insured. Lessee shall furnish annually to the City on the rent payment due date of this Lease, a certificate of the above- required insurance.

Lessor, at its own cost and expense, shall maintain in effect during the term: aviation general liability insurance against claims for property damage and bodily injury, including death in such form and subject to such deductions and exceptions as Lessor may determine in an amount not less than \$5,000,000.00 per occurrence; property insurance written on an ISO special cause of loss form for cover on the Parcel and the Airport, except foundations, on a replacement cost basis, subject to such deductions and exceptions as the Lessor may determine; and workers' compensation insurance for Lessor's employees, as required by law, at all times. Lessor agrees to ensure agents, contractors, invitees, licensees or anyone for whose safety Lessor is responsible for is appropriately covered by Lessor's workers' compensation insurance or said individual's employer's workers' compensation insurance as required by law. Lessor shall provide Lessee evidence of all required insurance upon reasonable request.

The policies required hereunder shall require thirty (30) days' advance notice to the other party

of cancellation or any material change.

Additional Uses Require Permission. Lessee shall not use or permit the use of the Parcel, or improvements thereto, for any purpose or use other than those expressly and specifically authorized by this Lease. Additional uses may be hereafter authorized in writing by the City, but only upon such terms and conditions as may be set out in such authorization.

Commercial Use of Parcel and Future Improvements. Lessee agrees to obtain permission from the City prior to commencing or permitting any commercial use of the Parcel, or additional improvements thereto, in accordance with the current Airport policies, City code and or standards. In the event that this Parcel, or improvements thereto is used for business purposes, the Lessee shall at all times maintain and pay any required permits, licenses, insurance and taxes as required by law.

Title to Improvements. During the Lease Term, title to all temporary structures and/or buildings (including any improvements thereto) constructed upon the Parcel by Lessee (including any modular units) are and shall be vested in Lessee. Upon termination of this Lease, Lessee shall remove all temporary structures and/or buildings, equipment and property and restore the leased property to the condition it was originally in as of the Effective Date.

Warranties of Title and Quiet Enjoyment. Lessor warrants that it has full right to make and enter into this Lease subject to the terms of this Lease and that Lessee shall have quiet and peaceable possession of the Parcel during the term as against the acts of any parties claiming title to, or a right to possession of, the Parcel.

Governmental Standards. Lessee must meet all governmental standards as specified in the City of Danville Municipal Code for all design, planning, and construction activities, including development or extension of infrastructure.

Additional Improvements Constructed During the Initial Lease Term or Extended Term. Lessee may construct additional improvements or modifications at a later date, adhering to the requirements of those codes and regulations then in effect on the Airport. However, in all cases, construction must be completed within eighteen (18) months of approval by the City.

Signs. Lessee must obtain City consent to paint or construct any exterior signs.

Maintenance. Except for the parking lot located on the Parcel and any common areas, Lessee shall maintain at its own expense the Parcel and any improvements, fixtures or equipment on the Parcel in a safe, sanitary, and orderly manner in accordance with all applicable codes and regulations. Lessee shall also maintain the cleanliness of the Parcel.

Lessor shall maintain, at its sole cost and expense, the parking lot located on the Parcel and all

common areas at the Airport. Additionally, Lessor, at its sole cost and expense, shall furnish snow removal, grounds maintenance, and refuse removal services for the Parcel and the Airport.

Lessor's Alterations and Improvements. Lessor shall, at its sole cost and expense, construct a parking lot near the Parcel for Lessee's non-exclusive use. After such construction, Lessee shall have the right to use (5) parking spaces and (1) disabled parking space for a total of six (6) parking spaces. Such use shall be without any additional charge and on a first come, first served basis.

Fire or Other Casualty. In the event of fire or any other casualty to structures owned by the Lessee, the Lessee shall either repair or replace the building or remove the damaged building and restore the Parcel to its original condition within 180 days of the date the damage occurred. Upon petition by the Lessee, the Lessor may grant an extension of time if it appears such extension is warranted. In the event the Parcel, or improvements thereto is completely destroyed or so badly damaged that repairs cannot be repaired, commenced within six (6) months of such casualty or if said damage materially interferes with Lessee's use of the remainder of the Parcel, then, this Lease may be terminated by either Lessor or Lessee and any prepayment of rent shall be refunded pro rata to Lessee by Lessor.

Right to Inspect. The Lessor reserves the right to enter upon the Parcel at any reasonable time for the purpose of making any inspection to the Parcel of land itself as it may deem expedient to the proper enforcement of any of the covenants or conditions of this agreement. Lessor must provide Lessee with at least twenty-four (24) hours' notice prior to entry, in which case Lessor shall provide Lessee with as much notice as possible prior to entry. For purposes of clarity, in no event shall Lessor have the right to enter into or upon any of the temporary structures or buildings on the Parcel, and Lessor's right of entry is limited to entering upon and inspecting only the Parcel of land itself.

Hazardous Waste. No toxic materials or hazardous waste subject to regulation by the EPA or Department of Environmental Quality shall be stored or disposed of on the Airport without the written permission of the Airport Manager.

City's Right to Correct Deficiencies. The City has the right to require reasonable maintenance and repairs to the Parcel or the improvements thereon by Lessee as required by this lease. Should the Lessee fail to make the required corrections beyond any applicable notice and cure period, the City shall have the right to enter the Parcel, or improvements, thereto, correct the deficiency and recover the cost of activities from Lessee as rent due on the next payment date.

Airport Development. The City reserves the right to further develop the Airport as it sees fit, without unreasonable interference or hindrance from Lessee.

Reasonable Substitute to be Provided. In the event such development interferes with the

Lessee's customary use of the Airport for business purposes, the City shall make available a reasonable substitute location or process; provided: (a) the new premises shall be similar to the Parcel in area and can be used for Lessee's uses; (b) if Lessee is then occupying the Parcel, Lessor shall reimburse Lessee for the reasonable out-of-pocket expenses incurred by Lessee in moving to the new premises; (c) Lessor shall give to Lessee, not less than thirty (30) days' prior written notice of such substitution; and (d) Lessor shall, at its sole cost, improve the new premises with improvements substantially similar to those on the Parcel as of the date of the substitution notice (and such improvements shall be substantially complete on or before the relocation effective date).

Eminent Domain Rights. If the physical development of the Airport requires the relocation, removal or alteration of Lessee's business from the Airport, the City has the right to condemn the business area wholly under the City's eminent domain rights.

ARTICLE V DESIGN STANDARDS

Modular Building Dimensions. The modular building shall be 26' x 68' and must meet the Industrialized building requirements per the Uniform Statewide Building Code. Prior to construction the model for the modular building must be pre-approved by the Airport Commission and the City of Danville Inspections Office.

Utility Connections – Air Methods will be responsible for financing the full cost of all required temporary utility connections to the temporary structure before the modular building is constructed and the full cost of all required permanent utility connections to the modular building. The permanent utility connections to the modular building will be completed in coordination with the installation of utility connections that the airport will complete to support future hangar development located near the modular building site. Utility connections to the temporary structure and the modular building must be approved by the Transportation Services Director based on input received from Danville's Community Development Department prior to construction activities commencing.

Landscaping. All landscaping shall be designed to discourage the nesting and aggregation of birds and animals.

Exterior Lighting. Obstruction lighting shall be installed when required to meet FAA safety standards, when applicable. Exterior illumination, including that in illuminated signs, shall never be angled above the horizontal, nor extend into flight patterns or other aircraft operating surfaces, unless designed and approved specifically for the purpose of aiding aircraft navigation or safety. Area lighting of buildings, vehicle parking areas and walkways shall be shielded so as not to shine above the horizontal

and shall not produce glare on adjacent streets, aircraft operating surfaces, or building sites.

Height of Building. The parcel shall not maintain a building that exceeds a height, which penetrates the FAR Part 77 planar surfaces.

Wind Resistance. The building shall be designed to withstand winds of seventy (70) miles per hour.

ARTICLE VI EQUAL EMPLOYMENT

During the performance of the contract, the Lessee agrees as follows:

a. The Lessee will not discriminate against any employee or applicant for employment because of race, religion, color, sex, or national origin, except where religion, sex, or national origin is a bona fide occupational qualification reasonably necessary to the normal operation of the Lessee. The Lessee agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions for this nondiscrimination clause, as required by applicable law.

b. The Lessee also shall not discriminate against any handicapped person in violation of any state or federal law or regulation and shall also post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this additional nondiscrimination clause, as required by applicable law.

c. The Lessee, in solicitations or advertisements for employees placed by or on behalf of the Lessee, will state that such Lessee is an equal opportunity employer.

d. Notices, advertisements, and solicitations placed in accordance with Federal law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements of this section.

e. The Lessee will include the provisions of the foregoing paragraphs in every subcontract or purchase order over \$10,000 so that the provisions will be binding upon each subcontractor or vendor.

f. The Lessee will otherwise comply with all other applicable provisions of local, State and Federal law.

ARTICLE VII COMPLIANCE WITH LAWS AND REGULATIONS

Compliance with Applicable Laws. Lessor and Lessee agree to comply with all applicable current and future federal, state, and local laws, ordinances and regulations, whether or not specifically referred to in this Agreement.

Amendments. This Lease may only be modified or amended by written agreement executed by both parties. No amendment of this Lease shall be valid unless it is in writing, specifies the nature

and extent of the amendment, and is signed by both parties.

Notice. Notice required by this Lease shall be sufficient if in writing and personally delivered or mailed via U.S.P.S., first class and postage prepaid to:

In the case of Lessor:

City of Danville, Virginia

P. O. Box 3300

Danville, Virginia 24543

Attn: City Manager

In the case of Lessee:

Air Methods, LLC

5500 S. Quebec St., Ste. 300

Greenwood Village, CO 80111

Attn: Vice President, Northeast Region,

with copy to:

City Attorney's Office

PO Box 3300

Danville, Virginia 24543

with copy, which shall not constitute

notice, to Attn: Legal Dept. and

realestate@airmethods.com

Severability. The parts and provisions of this Lease are severable. If any part or provision shall be held invalid by a court of competent jurisdiction, the remainder of this Lease shall remain in full force and effect.

Successors in Title. It is agreed that the terms and conditions hereof shall be binding upon the parties hereto, and in addition, upon successors or subtenants to the parties hereto.

Choice of Law and Venue. The parties acknowledge that this Agreement and the performance thereof shall be governed by the laws of the Commonwealth of Virginia, and if legal action by either party is necessary for or with respect to the enforcement of any or all of the terms and conditions hereof, then exclusive venue therefore shall lie in the City of Danville, Virginia. Each Party shall be responsible for its own attorney's fees.

Cumulative Rights. No right or remedy provided under this Lease is intended to be exclusive of any other right or remedy hereof provided by law or equity. Each right and remedy shall be cumulative and in addition to every other right or remedy provided under this Lease.

Waiver. Any waiver by any party of default of any other party to this Lease shall not affect or impair any right arising from any subsequent default. No custom or practice of the parties which varies from the terms of this Lease shall be a waiver of any party's right to demand exact compliance with the terms of this Lease. A waiver will only be effective when signed by the party against which it is used.

Entire Agreement. The parties acknowledge that this Lease supersedes any prior agreements

and understandings and incorporates all terms and conditions agreed to between them with respect to the subject matter of the Lease.

Counterparts; Facsimile or Electronic Signature. This Lease may be executed in counterparts, all of which shall be considered one and the same instrument and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other party. Any executed counterpart to this Lease may be delivered by .pdf or other electronic means, and any counterpart so delivered shall constitute an original for all purposes.

IN WITNESS WHEREOF, the parties have executed this Lease as of the day and year first above written.

CITY OF DANVILLE, VIRGINIA

By: _____
Ken Larking
City Manager

Date: _____

(SEAL)

ATTEST:

City Clerk

AIR METHODS, LLC

By: _____
Title:

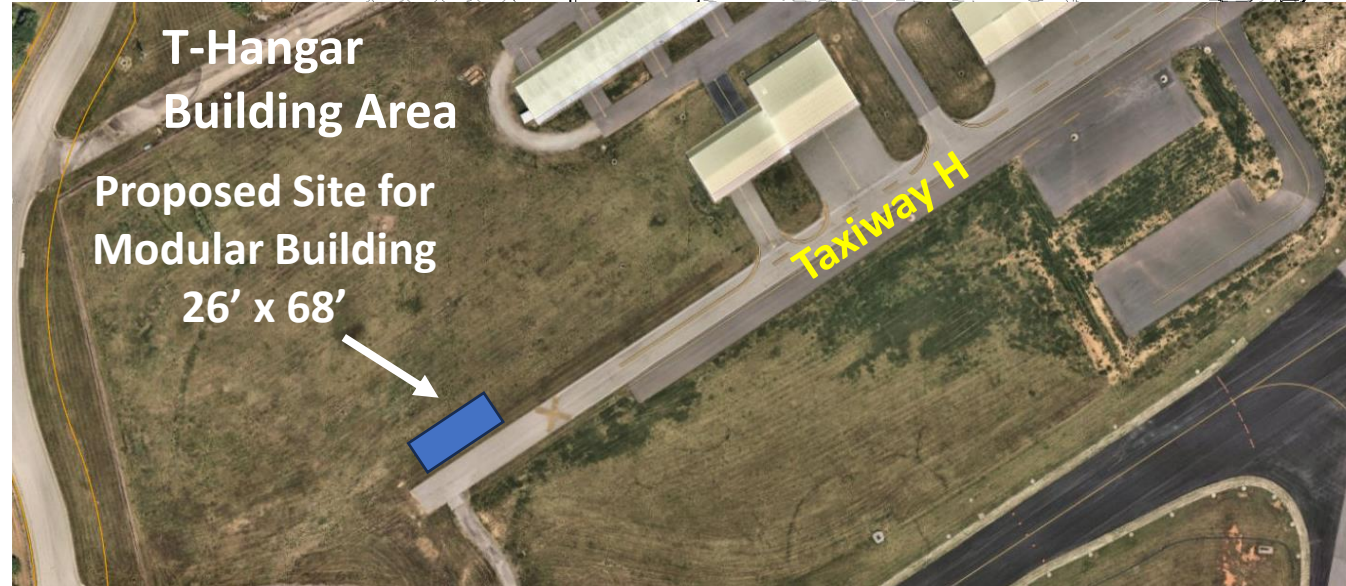
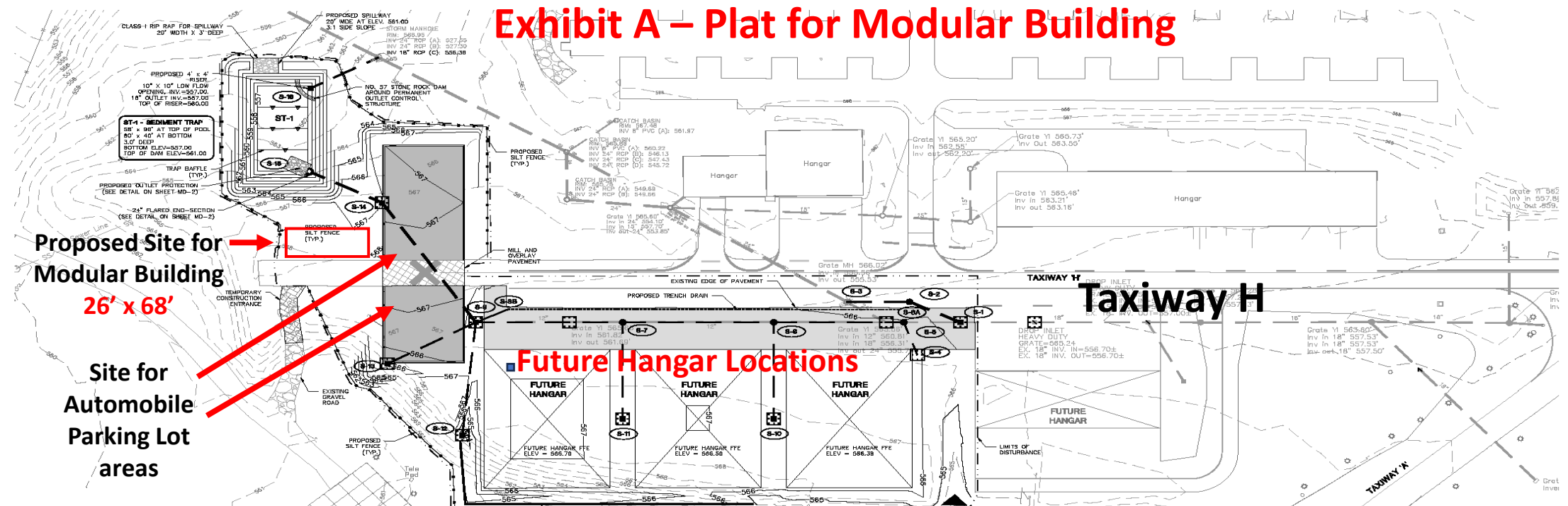
Date: _____

ATTEST:

Secretary

EXHIBIT A

Exhibit A – Plat for Modular Building



REVISIONS	DATE
1	
2	
3	
4	
5	

DESIGNED BY: CBS	PROJECT ENG: CBS
PROJECT NO.: 2304-2103	DRAWN BY: CTH
CHECKED BY:	DATE ISSUED: JUNE 2023

DANVILLE
—Virginia—
DANVILLE REGIONAL AIRPORT

CORPORATE HANGAR SITE DEVELOPMENT	SEDIMENT AND EROSION CONTROL PLAN
FILE NAME: 2103-BASE.dwg SCALE: AS SHOWN	

SHT.
C-3

LOCATIONS SHALL BE PRE-APPROVED BY THE RESIDENT PROJECT REPRESENTATIVE (RPR).

DPOR 0407008503

Council Letter City of Danville, Virginia



CL - 2817

NEW BUSINESS C.

City Council REGULAR MEETING

Meeting Date: June 16, 2026

Subject: Stadium Lease and Use Agreement with Danville Baseball Club, LLC

From: Sam Howarth, Facilities and Services Planner

COUNCIL ACTION

1. Public Hearing
2. A Resolution of the Council of the City of Danville, Virginia Authorizing and Approving a Stadium Lease and Use Agreement with Danville Baseball Club, LLC

SUMMARY

The City of Danville, Virginia owns and operates a stadium facility suitable for baseball games and certain other public events. Danville Baseball Club, LLC operates a collegiate-level baseball team in the Appalachian League and additional baseball programming at the stadium. The City of Danville and Danville Baseball Club, LLC desire to continue the use of the stadium through a formal Lease and Use Agreement establishing terms for operations, maintenance, and event scheduling. The Lease Agreement provides for a term through December 31, 2031, with an option to extend through December 31, 2036.

BACKGROUND

The City of Danville currently owns and operates the American Legion Post 325 Stadium as a public facility supporting baseball and community events. Danville Baseball Club, LLC serves as the operator of a collegiate-level baseball team and associated programming at the stadium.

The proposed Lease and Use Agreement establishes the terms and conditions under which Danville Baseball Club, LLC will continue to occupy and use the stadium, including provisions related to event scheduling, maintenance responsibilities, and revenue opportunities. The agreement maintains the City's ownership of the facility while supporting continued baseball operations and community use.

RECOMMENDATION

Staff recommends City Council approve the Stadium Lease and Use Agreement with Danville Baseball Club, LLC.

Attachments

1. Resolution
 2. Otterbots Stadium Lease 2026 Signature Copy
-

PRESENTED: _____

ADOPTED: _____

RESOLUTION NO. 2026- ____ . ____

A RESOLUTION OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA
AUTHORIZING AND APPROVING A STADIUM LEASE AND USE AGREEMENT WITH
DANVILLE BASEBALL CLUB, LLC.

WHEREAS, the City of Danville, Virginia owns and operates a stadium facility
suitable for baseball games and certain other public events; and

WHEREAS, Danville Baseball Club, LLC operates a collegiate-level baseball
team in the Appalachian League, a baseball team in the Old North State League, and
additional baseball programming at the stadium; and

WHEREAS, the City of Danville and Danville Baseball Club, LLC desire to
continue the use of the stadium through a formal Lease and Use Agreement establishing
terms for operations, maintenance, and event scheduling; and

WHEREAS, the Lease Agreement provides for a term through December 31,
2031, with an option to extend through December 31, 2036.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Danville,
Virginia that it does hereby approve and authorize the Stadium Lease and Use Agreement
with Danville Baseball Club, LLC, in the form substantially attached hereto and made a part
hereof; and

BE IT FINALLY RESOLVED that the City Manager is hereby authorized to
execute the agreement on behalf of the City of Danville.

Approved:

Mayor

Attest:

City Clerk

Approved as to
Form and Legal Sufficiency:

City Attorney

STADIUM LEASE AND USE AGREEMENT

THIS STADIUM LEASE AND USE AGREEMENT (“Lease Agreement”) is made and entered into as of _____, 2026 (“Commencement Date”) by and between **DANVILLE BASEBALL CLUB, LLC**, a Virginia Limited Liability Company, Entity ID 11145101, (“Tenant”); and **CITY OF DANVILLE, VIRGINIA**, a municipal corporation and body politic (hereinafter referred to as the “Landlord”).

WITNESSETH:

WHEREAS, the Landlord owns and operates a stadium suitable for the exhibition of professional baseball games and certain other events in Danville, Virginia; and

WHEREAS, the Tenant owns and operates an Appalachian League baseball team that will serve as a primary developmental arm for the USA Baseball National Team (“Club”); and

WHEREAS, the Tenant also owns and operates an Old North State League baseball team (“Club”); and

WHEREAS, the Tenant desires to lease such stadium and to exhibit Club games in the stadium; and

WHEREAS, the Tenant and the Landlord desire that this Lease Agreement shall set forth their full and complete understanding of the terms and conditions under which the Tenant will occupy and use the stadium and schedule and play Club home games therein; and

WHEREAS, the parties hereto desire that this Lease Agreement shall set forth their full and complete understanding with respect to subject matter herein contained.

NOW, THEREFORE, FOR AND IN CONSIDERATION of the premises, the mutual promises and covenants herein contained, and other good and valuable consideration, the receipt, sufficiency and adequacy of which are expressly acknowledged, the Landlord and the Tenant, each intending to be legally bound, do hereby mutually agree as follows:

1. Definitions. As used herein, the following terms shall have the following meanings:

(a) Baseball Season. The term “Baseball Season” shall mean, as to each calendar year of the Term, the regular annual period of play of an Appalachian League baseball games and related activities by the Club at the Stadium from May 15 to the date on which the Club's last game is played during the applicable League season, including any and all pre-season games, regular season games, exhibition games, post-season “playoff” games, and “all-star” games, or September 1 whichever shall later occur.

(b) Tenant Event. The term “Tenant Event” shall mean any and all events authorized, promoted and/or staged by the Tenant in the Stadium hereunder which are not Club Home Games.

(c) Club Home Game. The term “Club Home Game” shall mean all Appalachian league baseball games played in the Stadium involving the Club or its (or the Tenant) players as a participant, including without limitation all pre-season games, regular season games, exhibition games, post-season “playoff” games, and “all-star” games.

(d) Landlord Events. The term “Landlord Event” shall mean all events promoted and held by the Landlord in the Stadium in accordance with this Lease Agreement, including but not limited to American Legion baseball games, George Washington High School baseball games, Danville Community College baseball games and such other events as the Landlord deems appropriate.

(e) Emergency. A condition which (1) involves a danger to public health or safety or (2) is likely to result in immediate, substantial damage to the Stadium.

(f) League. The term “League” shall mean the Appalachian League a developmental arm for the USA Baseball National Team and its successors, and any such other organized league that the Tenant in its sole discretion may affiliate the Club during the Term.

(g) Stadium. The term “Stadium” shall mean the baseball stadium, playing field, clubhouses, spectator areas, club administrative and storage areas, concession areas and clubhouses, and ancillary structures situated in Danville, Virginia commonly known as the American Legion Post 325 Baseball Field, as well as all physical improvements thereto and non-exclusive use of all sidewalks, parking areas, rights-of-way attached or adjacent to the baseball stadium as the same currently exists or as it may from time to time hereafter be expanded or modified.

2. Lease Term and Option to Extend.

The “Term” of this Lease Agreement shall expire as of December 31, 2031, subject to the option and termination rights of the Tenant set forth in this Section 2 (as amended herein) and in Sections 18 and 20 of this Lease Agreement. The Tenant shall have the option to extend the Term of the Lease Agreement through December 31, 2036 by providing written notice to the Landlord on or before July 1, 2036. In addition, on an annual basis, the Tenant shall have the option to terminate the Lease Agreement for convenience, by providing written notice to Landlord by July 1st of each year of the Term, such termination to be effective as of December 31st of the year in which such written notice is provided to Landlord.

3. Ownership of the Stadium. The Stadium is owned in fee simple by the Landlord, and the Tenant shall not have any ownership interest in the Stadium. Notwithstanding the foregoing, it is understood that if any improvement to the Stadium is owned by the Tenant and is capable of removal at the end of the Term, then the Tenant shall retain ownership thereof and have the right to remove and dispose of such improvements as it deems appropriate in accordance with this Lease Agreement.

4. Use of Stadium.

(a) Tenant Use. In accordance with the terms and conditions of this Lease Agreement, the Tenant shall have the right to use and occupy all areas of the Stadium for all purposes allowable under the terms of this Lease Agreement, for up to One Hundred Ten (110) events per year, on a year round basis during the Term including, the right to exhibit, promote, schedule and play Club Home Games in the Stadium during the Baseball Season and to authorize, promote and/or stage Tenant Events in the Stadium and to retain all revenues derived from such events. The scheduling of Tenant Events is subject to the priority of use described in subsection 4 (c). All Tenant Events must be approved in advance by Landlord. Landlord agrees that such approval will not be unreasonably withheld. For example, Landlord may disapprove any Tenant Event that is substantially similar to any Landlord Event. Tenant shall clean the Stadium after all Club Home Games and each Tenant Event. During the Term of this Agreement, Tenant shall continuously have the right of ingress and egress to and from the Stadium to a public right-of-way.

(b) Landlord Use.

(i) The parties acknowledge that the stadium is a public facility. As a public facility, Landlord shall have the right to host Landlord Events at the Stadium. With regard to such Landlord Events, except as provided in Section 6 below regarding Tenant’s exclusive right to operate concessions at the Stadium, Landlord will be responsible for staffing, managing, and operating the Stadium for all Landlord Events.

(ii) Landlord agrees that it will cause the Stadium to be restored to its previous condition, free of waste and debris immediately after each such Landlord Event. Landlord agrees not to use the Stadium in a manner that causes or may cause any material damage to the playing surface or any part of the Stadium. Any damage to the Stadium or playing surface occurring during Landlord Events, whether or not such damage is caused by the Landlord, its designee, or someone other than the Tenant shall be repaired by the Landlord to substantially the same condition the Stadium was in prior to the Landlord Event in a timely manner.

(c) Priority of Use.

(i) During the Baseball Season, use of the Stadium shall be allocated in accordance with the following order of priority:

- | | |
|-------------------|--|
| (First Priority) | Club Home Games and practice sessions; |
| (Second Priority) | Landlord Events |
| (Third Priority) | Tenant Events. |

(ii) During the remainder of each year, use of the Stadium by Landlord and the Tenant shall be allocated according to the following order of priority:

- | | |
|-------------------|-----------------|
| (First Priority) | Landlord Events |
| (Second Priority) | Tenant Events. |

Landlord and the Tenant agree to work in good faith when scheduling Landlord Events and Tenant Events respectively in order to minimize scheduling conflicts, among other ways by providing as much advanced notice of potential events as possible to the other party.

5. Rent.

- A. In consideration of the lease of the Stadium and other benefits described herein, the Tenant shall pay an annual rent beginning January 1, 2026, in the amount of Thirty-Five Thousand Eleven Dollars (\$35,011) per year with a 1.5% annual escalator. One half of the lease payment shall be on or before January 30th each year with the remaining half being due on or before June 30th^t each year.
- B. In addition, the Tenant shall provide the City of Danville Ten Thousand Dollars (\$10,000) annually for capital upgrades to the stadium. All capital upgrades become property of the City of Danville.
- C. Tenant shall pay Landlord Twenty-Five Dollars per hour per person for any Tenant Events over the One Hundred Ten (110) events per year referenced in section 4(a) above.

6. Revenue Streams. The Tenant shall be entitled to all revenue streams, now known or hereafter devised, in connection with the Tenant use of the Stadium during the Term for the Club Home Games, Tenant Events, and as otherwise described in this Lease Agreement. Without limiting the foregoing, the following provisions more specifically address certain revenue streams:

(a) Ticket Sales. The Tenant will set ticket prices and entry fees for the Club Home Games and Tenant Events as the Tenant deem appropriate, and are entitled to receive all revenue collected by the Tenant for all tickets for all such events. The Tenant are also entitled to charge admission,

participation and related fees and charges in connection with the operation of Tenant Events at the Stadium. No ticket surcharges, franchise fees, taxes or other fees may be instituted by Landlord against the Tenant or their affiliates or designees that are not generally applicable to all or substantially all other businesses in Danville (e.g. ticket tax, signage tax etc.).

(b) Concessions.

(i) Sales. The Tenant or its designees, including Otterbots Concessions LLC, shall be the exclusive concessionaires and shall retain all revenues from, all concession items at all events held in and at the Stadium. Such concession items shall include but shall not be limited to, in the Tenant's sole discretion, all foods, beverages (alcoholic and non-alcoholic), scorecards, programs, yearbooks, hats, jerseys, t-shirts, souvenirs, other sports apparel and merchandise, including but not limited to novelty items carrying the Tenant logo or the logo of any of its parent or affiliate companies (and all related subsidiaries') merchandise, as well as any interactive games, video games, batting or pitching cages and other entertainment oriented retail or food service item, including any event-related activities scheduled by the Tenant. The Tenant may assign any or all of its exclusive rights to sell concessions to third parties. In the event Tenant does not intend to provide concession services for a Landlord Event, then Tenant must give Landlord a minimum of fourteen (14) days notice of Tenant's intent not to provide concession services for such event after which Landlord shall then have the right to provide the concession services for such Landlord Event. Tenant specifically agrees to provide concession services for Danville Public Schools Baseball games.

(ii) Equipment. The Tenant shall maintain at its own cost all equipment, machinery, menu boards and related facilities necessary to sell such concessions during all events. For avoidance of doubt, Landlord acknowledges that it shall not use any of such concession space, equipment, machinery, and fixtures installed and maintained by the Tenant without the prior written consent of the Tenant in each instance and, if approved in writing by the Tenant, the Landlord shall be responsible for any repairs resulting from damage to those items listed, and shall reimburse the Tenant from any damage resulting from this use.

(c) Advertising/Signage. The Tenant shall have the exclusive right to erect, install or affix commercial or non-commercial signage, advertising material, banners, and related items, both temporary and permanent, on or in the Stadium including, on the outfield fences, interior walls, scoreboards, programs and publications, and on top of each dugout, and all revenue derived from such signage and advertising, as well as all promotions and sponsorships, shall be retained by the Tenant. All signage and advertising at the Stadium must conform to the zoning code of the City of Danville, Virginia, which currently prohibits certain commercial signage on the exterior areas attached or adjacent to the Stadium, such as exterior walls, parking areas, billboards and pedestrian walkways, though the Tenant will be allowed to erect, install or affix commercial signage on such exterior areas attached or adjacent to the Stadium if, and only to the extent, allowed by the zoning code of the City of Danville, Virginia (and any amendments or modifications thereto) during the Term.

(d) Naming Rights. The field is named American Legion Post 325 Field. The stadium name can named, subject to consent of the Landlord, which consent shall not be unreasonably withheld. The naming of the stadium will be a contractual agreement between the Tenant and the sponsor. The City of Danville does not agree to extend that name past the relationship with the Tenant. The Tenant agrees to pay the City of Danville 25% of the naming rights to be reinvested in the stadium.

(e) Broadcasting. The Tenant shall have the exclusive right to broadcast, televise, cablecast, stream, or otherwise transmit, distribute or exploit, via any and all forms of media, transmissions or distribution whatsoever, now known or hereafter created, Club Home Games and Tenant Events, and the

Tenant shall retain all revenues related thereto.

7. Parking. Landlord guarantees access to the parking area and agrees not to charge, or allow any third party to charge, any fee for parking at the Stadium for any Club Home Game or Tenant Event. However, in the event that Landlord charges a parking fee for any Landlord Event at the Stadium, the Tenant shall then have the option to charge the same parking fee at any similar Tenant event at the Stadium. Landlord further agrees that it will maintain all parking areas adjacent to the Stadium.

8. Security. Tenant shall provide adequate security at all Club Home Games. Tenant shall contract with the Danville Police Department and at a minimum, the Tenant will provide at least one (1) Danville City regular police officer at each Sunday - Wednesday regular season Club Home Game, at least two (2) Danville City regular police officers at all Thursday – Saturday regular season Club Home Games and at least four (4) Danville City regular police officers at the opening night Club Home Game, any fireworks shows before during or after Club Home Games, and all playoff Club Home Games.

9. Utilities/Playing Field Lighting. Landlord agrees to furnish water, gas, electric power and trash disposal services to the Stadium. Landlord also agrees to provide all lighting for the playing field during all Club Home Games or Tenant Events at the Stadium and to replace any burned out lamps or light bulbs that light the playing field at the Stadium. Tenant agrees to obtain and pay for all utilities not specifically listed above, including but not limited to telephone service, long distance telephone service, internet service, cable service, and satellite television service.

10. Routine Maintenance. Other than as set forth in Sections 10 (a) and (b) below, Landlord agrees to be responsible for all “Routine Maintenance” of the Stadium. “Routine Maintenance” shall be defined as the provision of labor and materials which are required to keep the Stadium in good order and repair (normal wear and tear excepted) as a high-quality baseball playing facility and which are of a routine, regular and predictable nature given the age of the Stadium. Some examples of Routine Maintenance include the following:

(a) Generally keep the Stadium clean of debris, including but not limited to interior bowl seating, restrooms, press box, Club offices, concession areas, and clubhouses/locker rooms and maintain exterior grounds and parking facilities, including mowing all grass on an as needed basis, providing snow removal, and providing all landscape maintenance; provided, however, that the Tenant will be responsible for cleaning the Stadium after each Club Home Game or Tenant Event, including but not limited to interior bowl seating, all restrooms, concession areas and clubhouses/locker rooms. Tenant shall also be responsible for all custodial services to their Club offices and concession areas. Tenant shall keep all restrooms and concession areas clean and sanitary. Thirty (30) days prior to the first game of the baseball season and ten (10) days after the last game of the baseball season Landlord and Tenant shall an inspection of the stadium at which time Routine Maintenance obligations may be addressed by either or both parties.

(b) Normal garbage and trash removal from the Stadium.

(c) Mow, fertilize, seed, reseed, water, and otherwise maintain the baseball playing surface in the Stadium in compliance with League standards.

(d) Prepare and line the baseball playing surface of the Stadium prior to each Club Home Game and provide such grounds keeping and other maintenance services during such events as appropriate League standards shall require, including, without limitation, by providing at least one (1) employee for field maintenance (and tarp work) at each Club Home Game.

(e) Regular maintenance of the HVAC, plumbing, electrical, water, sewage, and field drainage systems, and escalators and elevators (if any), including periodic cleaning, lubricating and servicing and replacement of incidental parts.

- (f) Change isolated light bulbs, fuses and circuit breakers as they burn out or need replacement.
- (g) Provide termite and pest control as needed.
- (h) Winterize the Stadium each fall to prevent freezing of pipes in the Stadium buildings as needed.
- (i) Maintain and repair the scoreboard and a public address system.

11. Capital Improvements.

(a) Generally. The Landlord shall be responsible for providing all “Capital Improvements” to the Stadium, defined as provision of all labor and materials which are required to repair, restore and/or replace, when necessary, all structural components, systems components or integral parts of the Stadium.

(b) The Tenant shall provide the City of Danville Ten Thousand Dollars (\$10,000) annually for capital upgrades to the stadium. The City of Danville agrees to work with the operator within the first 3 years to identify capital needs for funding in year 4 of the agreement. All CSP funds are subject to City Council approval.

(c) Performance of Capital Maintenance and Repairs. The Landlord shall perform all Capital Improvements in a professional competent manner consistent with the standards initially used to develop the Stadium.

(d) Tenant will be consulted on all Capital Improvements being provided hereunder and will assist Landlord in its procurement process as a consultant in the purchase and completion of these proposed Capital Improvements.

12. Representations and Warranties. Landlord hereby represents and warrants to Tenant that as of the Commencement Date: (a) Landlord is the sole owner in fee simple of the Stadium and has full right, power and authority to grant the estate demised herein and to execute and perform all of the terms, provisions, covenants and agreements provided in this Lease Agreement; (b) there are no condemnation proceedings or eminent domain proceedings of any kind pending, contemplated or threatened against the Stadium; (c) there are no suits, judgments or notices from any governmental authority relating to any violation of any health, pollution control, building, fire or zoning laws of any governmental authority with respect to the Stadium and there is no litigation or proceeding pending or threatened against or affecting the Stadium; (d) other than this Lease Agreement, there are no contracts, leases or agreements of any kind whatsoever which affect Tenant's rights under this Lease Agreement or the Stadium; and (e) the Stadium, in its current condition and use as a baseball stadium, complies with any and all applicable federal, state and local zoning requirements, ordinances, regulations, and laws including, without limitation, the Americans with Disabilities Act. Tenant agrees to manage, operate and maintain a professional baseball team franchise from the Appalachian League (or a franchise at a higher minor league classification) at the Stadium during the Term.

13. Return of Stadium. At the termination of this Lease Agreement, the Tenant agree to return the Stadium to its original or subsequently improved condition, ordinary wear and tear excepted, and to return to the Landlord all equipment and personal property of the Landlord in good working condition, ordinary wear and tear excepted, in each case after inspection of the Stadium, which inspection shall be made jointly by the Landlord and the Tenant. Promptly after such inspection at the termination of any occupancy, the Tenant shall have the option to either (i) make any necessary repairs; or (ii) pay the Landlord for any damages to the premises or to personal property, ordinary wear and tear excepted, except to the extent said damage was

caused by the assigns, agents, employees or officers of the Landlord. The Tenant shall have the right upon termination of this Lease Agreement, within sixty (60) days thereafter, to remove from the premises all movable property which is not permanently affixed to the structure and which is not owned by the Landlord. The Tenant agree to repair any damage caused by such removal to the Landlord's reasonable satisfaction.

15. Real Estate Taxes. The Landlord is a Virginia Municipality exempt from real estate taxes.

16. Operating Permits. The Tenant shall secure such permits, variances, and licenses as may be necessary or desirable to operate the Stadium (including its food concession and souvenir concession operations) and to manage a baseball franchise as is contemplated by this Lease Agreement.

17. Insurance.

(a) Tenant Insurance. Throughout the Term of this Lease Agreement, including any extensions thereof, the Tenant shall provide and maintain, at its expense, the policies of insurance set forth hereinafter which shall protect the Tenant and Landlord from any claim, damage, liability, loss or expense to persons or property (hereinafter, "Claims") caused by, resulting from, arising out of or in connection with the duties and obligations of the Tenant pursuant to this Lease Agreement:

Commercial General Liability insurance with limits not less than \$1,000,000 each occurrence and \$3,000,000 in the aggregate. Such insurance shall include coverage for contractual liability, products-completed operations liability, personal and advertising injury liability, participant legal liability, premises damage legal liability, liquor liability, property damage and bodily injury liability (including death).

Workers' Compensation insurance with statutory limits as required by the Commonwealth of Virginia covering all Tenant' employees. Such insurance policy shall also include Employer's Liability coverage with limits not less than \$1,000,000 each accident, \$1,000,000 disease-each employee and \$1,000,000 disease-policy limit.

Automobile Liability insurance covering liability arising out of the use, operation and/or maintenance of any auto (including owned, non-owned, leased, hired or borrowed) by Tenant, with limits not less than \$1,000,000 combined single limit each accident for bodily injury and property damage.

Property insurance covering loss or damage to the personal property, furniture, fixtures, and equipment of the Tenant located at the Stadium. Covered property shall include any improvements to the Stadium owned by the Tenant, all movable property which is not permanently affixed to the structure, concession equipment, retail, restaurant food service, catering equipment, fixtures and fit-out, and satellite television equipment, whether or not such items are deemed movable and whether or not they are permanently affixed to the structure. Said insurance shall provide coverage in the amount of the full replacement cost thereof and shall insure against perils on an "all risk basis."

The Tenant shall bear all costs of all deductibles and shall remain solely and fully liable for the full amount of any Claim not compensated by insurance. Upon request, the Tenant shall furnish to the Landlord certificates of insurance for all of the above policies. Tenant hereby agree to furnish renewal certificates throughout the term of the Lease Agreement.

(b) Landlord Insurance. Throughout the Term of this Lease Agreement, including any extensions thereof, the Landlord agrees to maintain, at its expense the following insurance policies:

General Liability and Property Insurance. The City of Danville maintains a general liability and property insurance policy for municipalities with coverage limits of not less than \$1,000,000 for each

occurrence and \$3,000,000 in the aggregate. This policy insures the City regarding its operation and use of the Stadium for Landlord Events and the use and operation of its Automobiles.

Workers' Compensation Insurance. The City of Danville is self insured as to its worker's compensation coverage within the statutory limits required by the Commonwealth of Virginia covering all Landlord employees.

Upon request, the Landlord shall furnish to the Tenant certificates of insurance for all of the above policies. The Landlord hereby agrees to furnish renewal certificates throughout the term of the Lease Agreement.

18. Indemnification.

(a) Tenant Indemnification Obligations. Tenant agrees to indemnify, defend and hold harmless Landlord from and against any and all claims, damages, liabilities, losses or expenses, caused by, resulting from or arising out of (i) the performance of the duties and obligations of Tenant pursuant to this Agreement; (ii) any negligent or grossly negligent action, inaction, omission or intentional misconduct by Tenant; (iii) any conduct or activities of Tenant which violates any applicable state or local law, rule, regulation or ordinance; and/or (iv) any misrepresentation, breach or alleged breach of any of obligations, representations or warranties contained in this Agreement by Tenant.

(b) Landlord Indemnification Obligations. To the extent permitted by Virginia law and without waving Sovereign Immunity, Landlord agrees to indemnify, defend and hold harmless Tenant and its parent and affiliate companies and each of their respective officers, directors, shareholders and employees from and against any and all claims, damages, liabilities, losses or expenses causes by, resulting from or arising out of (i) the performance of the duties and obligations of Landlord pursuant to this Agreement; (ii) any negligent or grossly negligent action, inaction, omission or intentional misconduct by Landlord; (iii) any conduct or activities of Landlord which violates any applicable state or local law, rule, regulation or ordinance; and/or (iv) any misrepresentation, breach or alleged breach of any of obligations, representations or warranties contained in this Agreement by Landlord.

19. Default and Remedies. Except as otherwise specifically set forth herein, when any party hereto shall breach, violate, or fail to fully perform any material term or provision herein contained, the non-breaching party may, upon thirty (30) days written notice thereof, terminate this Lease Agreement, provided, however, that such party shall have the right and opportunity to cure the same within said thirty (30) day period. In the event that such breach, violation, or nonperformance is not cured within said thirty (30) day period, this Lease Agreement shall terminate and the non-breaching Party shall thereupon have the right to seek such additional remedies as may then be available. Landlord shall in all events seek to mitigate its damages to the extent required by law.

20. Quiet Use and Enjoyment/Landlord Access. The Tenant understands and agrees that the Stadium is a public facility, that the Landlord will regularly host Landlord Events, and therefore that the Tenant will not have the exclusive use of the Stadium. However, during the Tenant use and occupancy of the Stadium under this Agreement and for so long as the Tenant is not in default, the Tenant shall have and be entitled to the quiet enjoyment with respect to the use and occupancy of the Stadium and the privileges herein granted without interruption or interference by any person including specifically the Landlord. Landlord agrees to provide the Tenant with the peaceful and quiet use and possession of the Stadium.

21. Destruction of Stadium. If all or any significant portion of the Stadium is damaged or destroyed by fire or other casualty, the Landlord shall repair and rebuild the Stadium with thorough diligence to its condition immediately before such loss or the condition required by law, whichever is greater, with such repair and rebuilding to be completed as soon as is possible giving due attention to the baseball season after

such fire or other casualty occurs and in any event not later than three hundred fifty (350) days after such fire or other casualty occurs. If in the Tenant's good faith judgment there is substantial interference with the operation of the Tenant's activities or use of the Stadium requiring the Tenant to temporarily use other stadium facilities, there shall be an abatement of all monies due hereunder from the Tenant to the Landlord for the period of such interference. It is specifically understood by and between the parties that during the period of such interference, the Tenant shall have the right to schedule its activities or events at another stadium and the Tenant's obligations pursuant to this Lease Agreement shall be abated during such interruption. If in the Tenant's good faith judgment, the Stadium is not, cannot, or will not be restored to the condition immediately before such casualty or the condition required by law, whichever is the greater, within three hundred fifty (350) days after the fire or other casualty occurs, the Tenant may void this Lease Agreement and neither party shall have any claim whatsoever against the other party as a result thereof.

22. Condemnation. If the Stadium (or any part) is taken by any public authority other than the Landlord pursuant to the power of eminent domain, this Agreement shall terminate as of the date possession is taken by the public authority. The Tenant may assert a claim against such condemning authority to disruption or relocation of the Tenant's business or for the Tenant's property located on the premises.

23. Recording. This Lease Agreement and the Tenant interest in the Stadium may be recorded in the real estate records of the Circuit Court of the City of Danville, Virginia by the Landlord.

24. Club Name.

(a) During the Term of this Lease Agreement, the Tenant may in its sole discretion name the Club the "Danville Otterbots" and all uniforms, programs, scorecards, novelty items, advertising, tickets, and similar items may so state. The Tenant specifically reserve the right to change the name of the Club without the Landlord's consent. The Landlord hereby consents to and approves the Club's use of the proper noun "Danville" as a part of the Club's name. The Tenant shall have the right to obtain such copyright, trademark, and service mark protection for the name "Danville Tenant" and all derivations thereof for its own account, all of which shall thereupon be the exclusive property of the Tenant.

(b) During the Term of this Lease Agreement, the Tenant may in its sole discretion name the Club the "Danville Dairy Daddies" and all uniforms, programs, scorecards, novelty items, advertising, tickets, and similar items may so state. The Tenant specifically reserve the right to change the name of the Club without the Landlord's consent. The Landlord hereby consents to and approves the Club's use of the proper noun "Danville" as a part of the Club's name. The Tenant shall have the right to obtain such copyright, trademark, and service mark protection for the name "Danville Tenant" and all derivations thereof for its own account, all of which shall thereupon be the exclusive property of the Tenant.

25. Notices. Any and all notices required or permitted to be given hereunder shall be deemed given when actually received, if delivered personally, or upon receipt, if deposited with the U.S. Postal Service, first class postage prepaid, certified or registered mail, return receipt requested and addressed as follows:

(a) If to the Tenant:

Danville Baseball Club
Attn: Ryan Keur
P.O. Box 330
Danville, VA 24543

(b)

If to the Landlord:

City Manager
City of Danville, Virginia
P. O. Box 3300
Danville, Virginia 24543

With a Copy to:

City Attorney
City of Danville, Virginia
P. O. Box 3300
Danville, Virginia 24543

26. Assignment. Except as hereafter provided, the Tenant may not assign, convey, or transfer this Agreement without the written consent of the Landlord. The Landlord shall not assign this Agreement without the written consent of the Tenant. Notwithstanding the foregoing, the Tenant interest in this Agreement may be assigned, conveyed or transferred without the prior consent of the Landlord to any purchaser or acquirer of the Club or the Tenant provided such purchaser or acquirer has been approved by the Appalachian League, and/or USA Baseball National Team, as applicable. Further, the assignment restrictions in this Section shall not be implicated and shall be null and void in the event of a merger, acquisition, spin-off, split-off or other similar corporate reorganization of the Tenant or their parent companies and affiliates. Finally, the Tenant will be allowed to assign its operational/management responsibilities under this Agreement to a third party operator with the prior written approval of Landlord, such approval not to be unreasonably withheld or delayed.

27. Binding Effect. This Lease Agreement shall inure to the benefit of and remain fully binding upon the parties hereto and their respective successors and permitted assigns.

28. Status of Parties. The parties hereto shall be deemed and construed as independent contractors for all purposes and not as the agent, employee, representative or servant of the other.

29. No Waiver or Breach. No failure of either party to insist upon exact compliance with the terms and, provisions herein contained shall be deemed or construed as a waiver of any subsequent breach of this Lease Agreement.

30. Severability. If any provisions of this Lease Agreement shall be declared invalid or unenforceable, the remainder of the Lease Agreement shall continue in full force and effect unless so construing the Lease Agreement would produce an inequitable result.

31. Governing Law. This Lease Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Virginia , and if legal action by either party is necessary for or with respect to the enforcement of any or all of the terms and conditions hereof, then exclusive venue therefore shall lie in the City of Danville, Virginia.

32. Force Majeure. The provisions of the foregoing subparagraph are subject to the limitation that if by reason of force majeure either Party is unable in whole or in part to perform any of its covenants, conditions or agreements hereunder, the nonperforming Party shall not be deemed in default during the continuance of such inability. The term "force majeure" as used herein shall include without limitation acts of God; strikes, lockouts or other industrial disturbances; acts of public enemies; orders of any kind of the government of the United States of America or the

Commonwealth of Virginia or any political subdivision thereof or any of their departments, agencies or officials, or any civil or military authority; insurrections; riots; epidemics; pandemics; landslides; earthquakes; fires; hurricanes; tornadoes; storms; floods; washouts; droughts; restraint of government and people; or civil disturbances. The nonperforming Party shall remedy with all reasonable dispatch the cause or causes preventing the nonperforming Party from carrying out its covenants, conditions and agreements, provided that the settlement of strikes, lockouts and other industrial disturbances shall be entirely within the discretion of the nonperforming Party, and that neither Party shall be required to make settlement of strikes, lockouts and other industrial disturbances by acceding to the demands of any opposing party when such course is in the judgment of the nonperforming Party not in its best interests.

33. Multiple Counterparts. This Lease Agreement may be simultaneously executed in several counterparts, each of which shall be original and all of which shall constitute on and the same instrument.

34. Entire Agreement. This Lease Agreement shall constitute the entire agreement between the parties hereto with respect to the subject matter herein contained. There are no agreements or understandings between the parties hereto, whether oral or written, regarding the subject matter hereof, which have not been embodied herein or incorporated herein by reference.

LANDLORD AND TENANT HAVE CAREFULLY READ AND REVIEWED THIS LEASE AGREEMENT AND EACH TERM AND PROVISION CONTAINED HEREIN, AND BY THE EXECUTION OF THE LEASE SHOW THEIR INFORMED AND VOLUNTARY CONSENT THERETO.

The parties hereto have the authority to execute this Lease Agreement on behalf of their respective parties and have executed this Lease Agreement at the place on the dates specified above to their respective signatures.

Executed at _____
on _____

Executed at _____
on _____

by the City of Danville, Virginia
a Virginia Municipality

by the Danville Baseball Club, LLC,
a Virginia Limited Liability Company

By: _____
Name Printed: _____
Title: _____
Address: _____

By: _____
Name Printed: _____
Title: _____
Address: _____

Tel. No. (____) _____ Tel. No. (____) _____
Fax No. (____) _____ Fax No. (____) _____

Commonwealth of Virginia or any political subdivision thereof or any of their departments, agencies or officials, or any civil or military authority; insurrections; riots; epidemics; pandemics; landslides; earthquakes; fires; hurricanes; tornadoes; storms; floods; washouts; droughts; restraint of government and people; or civil disturbances. The nonperforming Party shall remedy with all reasonable dispatch the cause or causes preventing the nonperforming Party from carrying out its covenants, conditions and agreements, provided that the settlement of strikes, lockouts and other industrial disturbances shall be entirely within the discretion of the nonperforming Party, and that neither Party shall be required to make settlement of strikes, lockouts and other industrial disturbances by acceding to the demands of any opposing party when such course is in the judgment of the nonperforming Party not in its best interests.

33. Multiple Counterparts. This Lease Agreement may be simultaneously executed in several counterparts, each of which shall be original and all of which shall constitute on and the same instrument.

34. Entire Agreement. This Lease Agreement shall constitute the entire agreement between the parties hereto with respect to the subject matter herein contained. There are no agreements or understandings between the parties hereto, whether oral or written, regarding the subject matter hereof, which have not been embodied herein or incorporated herein by reference.

LANDLORD AND TENANT HAVE CAREFULLY READ AND REVIEWED THIS LEASE AGREEMENT AND EACH TERM AND PROVISION CONTAINED HEREIN, AND BY THE EXECUTION OF THE LEASE SHOW THEIR INFORMED AND VOLUNTARY CONSENT THERETO.

The parties hereto have the authority to execute this Lease Agreement on behalf of their respective parties and have executed this Lease Agreement at the place on the dates specified above to their respective signatures.

Executed at _____
on _____

by the City of Danville, Virginia
a Virginia Municipality

By: _____
Name Printed: _____
Title: _____
Address: _____

Executed at Raleigh, NC
on 6/1/26

by the Danville Baseball Club, LLC,
a Virginia Limited Liability Company

By: Ryan Keva
Name Printed: RYAN KEVA
Title: PRESIDENT / OWNER
Address: 5024 LAKEMONT DR.
RALEIGH, NC 27609

Tel. No. () _____ Tel. No. (862) 266-6930
Fax No. () _____ Fax No. () _____

Council Letter City of Danville, Virginia



CL - 2783

NEW BUSINESS D.

City Council REGULAR MEETING

Meeting Date: June 16, 2026

Subject: Approval of Amendment to Lease Agreement

From: Ken Larking, City Manager

COUNCIL ACTION

1. Public Hearing
2. A Resolution of the Council of the City of Danville, Virginia Authorizing and Approving the Renewal of the Lease Agreement at 530 Main Street with 530 Main, LLC for use by the City's Registrar.

SUMMARY

In 2017, the City entered into a Lease Agreement to lease space on the first floor and basement of the First Citizens Bank Building at 530 Main Street for use by the City's Registrar; the original lease was amended in 2022, and expired on July 31, 2024. The Second Amendment to the Lease was approved in 2024, will expire on July 31, 2026 and now needs to be renewed.

BACKGROUND

A space needs study identified the Registrar's Office, in 2017, as needing a significant amount of additional space to meet their needs. Staff worked to identify suitable space to better service the needs of the Registrar and their customers at a cost that could be accommodated by the budget. A proposed lease with "530 Main, LLC" for space on the first floor of the First Citizens Bank Building at 530 Main Street was recommended and adopted by City Council in 2017.

RECOMMENDATION

Staff recommends that the City enter into Amendment #3 of a Lease Agreement with "530 Main, LLC" for space at 530 Main Street for the purpose of continuing to provide office space for the Danville Registrar for two more years.

Attachments

1. Resolution
 2. 530 Main St Lease
-

PRESENTED: _____

ADOPTED: _____

RESOLUTION NO. 2026-____ . ____

A RESOLUTION OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA
AUTHORIZING AND APPROVING THE RENEWAL OF THE LEASE AGREEMENT AT 530
MAIN STREET WITH 530 MAIN, LLC FOR USE BY THE CITY'S REGISTRAR.

WHEREAS, the City of Danville entered into a Lease Agreement dated May 9,
2017, with 530 Main, LLC for approximately 2,425 square feet on the first floor and
approximately 572 square feet in the basement of the building commonly known as 530 Main
Street, Danville, Virginia; and

WHEREAS, the Initial Term of the Lease expired on July 31, 2022, and the
terms of the Lease were extended for an additional two years beginning August 1, 2022, and
ending July 31, 2024; and

WHEREAS, a Second Amendment to the Lease was approved for a term
ending July 31, 2025, with an additional extension expiring on July 31, 2026; and

WHEREAS, Tenant and Landlord desire to extend the terms of the lease for
one additional year beginning August 1, 2026, and ending July 31, 2027, with an option for
one additional year beginning August 1, 2027, and ending July 31, 2028.

NOW, THEREFORE, be it resolved by the Council of the City of Danville,
Virginia that It hereby approves and authorizes the renewal of the lease of the property
described at 530 Main Street as more fully described in Amendment #3 to the Lease
Agreement; and

BE IT FINALLY RESOLVED, by the City Council of Danville, Virginia that the
City Manager, Ken F. Larking, or his designee be and is hereby authorized to execute any and
all documents necessary to complete this transaction.

Approved:

Mayor

Attest:

City Clerk

Approved as to
Form and Legal Sufficiency:

City Attorney

THIRD AMENDMENT TO LEASE AGREEMENT

THIS THIRD AMENDMENT TO LEASE AGREEMENT (this “**Amendment**”) is made as of the 1st day of August, 2026, by and between **530 MAIN, LLC**, a Virginia limited liability company (“**Landlord**”) and **THE CITY OF DANVILLE, VIRGINIA**, a political subdivision of the Commonwealth of Virginia (“**Tenant**”).

Recitals

A. Landlord and Tenant entered into a Lease dated May 19, 2017, (the “**Lease**”), for that certain portion, consisting of approximately 2,425 square feet on the first floor, and approximately 572 square feet in the basement, of a building owned by Landlord located at and commonly known as 530 Main Street, Danville, Virginia, as more particularly described, and on the terms and conditions set forth, in the Lease (the “**Premises**”). Capitalized terms used and not otherwise defined herein shall have the meanings given to them in the Lease.

B. The initial term of the Lease expired on July 31, 2022, and Tenant and Landlord extended the term of Lease for an additional two (2) year term beginning August 1, 2022, and ending July 31, 2024, and extended for a second time from August 1, 2024, and ending July 31, 2025, with Tenant exercising an option for an additional one (1) year. Tenant and Landlord desire to extend the term of Lease for another one (1) year period beginning August 1, 2026, and ending July 31, 2027.

C. The parties enter into this Third Amendment to memorialize their understanding and agreement concerning extension of the term of, and other amendments to, the Lease.

Agreement

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, agree as follows:

1. Recitals. The recitals set forth above are hereby incorporated into and made a part of this amendment as though fully set forth herein.

2. Extension of Lease Term. The current term of the Lease, which is set to expire on July 31, 2026, is extended upon expiration of the term for an additional one (1) year period (the “**Extended Term**”) beginning on August 1, 2026, and ending on July 31, 2027, unless sooner terminated in accordance with the Lease.

3. Rent. Tenant hereby agrees to pay Landlord during the Extended Term, from August 1, 2026, through July 31, 2027, rent in the amount of \$56,024.36/annum due and payable on or before August 1, 2026. The Lease is hereby amended to the extent necessary to reflect the foregoing change in rent.

4. Effect of Extension and Amendments. The parties hereby agree that the Lease by Landlord to Tenant of the Premises during the Extended Term shall be on the same terms and conditions presently set forth in the Lease and the prior amendments thereto, except to the extent such terms and conditions are modified and amended in this Amendment.

5. Miscellaneous.

a. Ratification. Landlord and Tenant hereby ratify and confirm all terms and

conditions of the Lease and agree that the Lease remains in full force and effect without modification, except as otherwise set forth in this Amendment,

b. Governing Law. This Amendment shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia, and if legal action by either party is necessary for or with respect to the enforcement of any or all of the terms and conditions hereof, then exclusive venue therefore shall lie in the City of Danville, Virginia.

c. Successors and Assigns. This Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors, representatives, and permitted assigns.

d. Conflicts. In the event of any inconsistency or conflict between the terms of this Amendment and the Lease, the terms of this Amendment shall control.

e. Entire Agreement. The Lease, together with the Amendments, constitutes and contains the sole and entire agreement of the parties hereto with respect to the matter hereof, and no prior or contemporaneous oral or written representations or agreements between the parties and relating to the subject matter hereof shall have any legal effect.

f. Severability. If, from any circumstance whatsoever, any clause or provision herein contained operates or would prospectively operate to invalidate this Amendment, in the whole or in part, then such clause or provision only shall be held invalid, and the remainder of the Amendment shall remain operative and in full force and effect.

g. Modification. The Lease, together with and as modified by the Amendments, may not be modified, amended, and/or supplemented other than by an agreement in writing signed by all parties hereto and their respective representatives, successors, or permitted assigns.

h. Counterparts. This Amendment may be executed in counterparts each of which shall be deemed an original but all of which together shall constitute one and the same Amendment. A facsimile or scan copy (*pdf) signature to this Amendment shall have the same effect as an original for all purposes.

[SIGNATURE PAGE FOLLOWS]

WITNESS our signatures to this **THIRD AMENDMENT TO LEASE AGREEMENT**
as of the date first above written:

LANDLORD:

530 MAIN, LLC,

a Virginia limited liability company

By: Michael Lemanski

Its: Real Estate Officer

TENANT:

THE CITY OF DANVILLE, VIRGINIA,

a political subdivision of the Commonwealth of Virginia

By: Ken Larking

Its: City Manager

Attest: City Clerk

Council Letter City of Danville, Virginia



CL - 2779

NEW BUSINESS E.

City Council REGULAR MEETING

Meeting Date: June 16, 2026

Subject: Fiscal Year 2027 Public Transportation Funding.

From: Marc Adelman, Director of Transportation Services

COUNCIL ACTION

1. Public Hearing
2. A Resolution of the Council of the City of Danville, Virginia Authorizing an Application by the City to the Virginia Department of Rail and Public Transportation for Grants for Operating and Capital Costs for Public Transportation for Fiscal Year 2027.

SUMMARY

The City of Danville submits grant applications annually to the Virginia Department of Rail and Public Transportation for operating and capital assistance. This agency administers and allocates federal and state operating aid and capital assistance for rural transit systems in Virginia. State operating and capital funding levels can vary and are approved in June by the Commonwealth Transportation Board. All operating expenses are eligible for federal operating aid except depreciation and interest charges, and financial assistance is based on the operating deficit.

For Fiscal Year 2027, the federal capital assistance funding level is 68%, and the state capital assistance funding level is 28%. Therefore, the local match requirement for capital projects will be 4%.

BACKGROUND

For Fiscal Year 2027, the Virginia Department of Rail and Public Transportation identified that a total of \$1,970,750 in federal operating aid is available to subsidize operating expenses for Danville Transit and \$764,243 in state operating aid is available to finance operating costs. The state also recommended federal and state capital aid for the following projects:

- Replacement of one 14-passenger bus and one 28-passenger bus;
- Mill and pave a section of the mass transit parking lot area where buses are parked; and
- Funding was also recommended to replace one minivan, a pickup truck and an 8-passenger van with lift.

The estimated total cost for all capital improvements is \$768,294. The estimated local match requirement for all capital projects based on the anticipated receipt of federal and state funds is \$30,735.

RECOMMENDATION

It is recommended that City Council adopt the attached Resolution authorizing grant applications submitted to the Virginia Department of Rail and Public Transportation for Fiscal Year 2027.

Attachments

1. Resolution
-

PRESENTED: _____

ADOPTED: _____

RESOLUTION NO. 2026- ____ . ____

A RESOLUTION OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA AUTHORIZING AN APPLICATION BY THE CITY TO THE VIRGINIA DEPARTMENT OF RAIL AND PUBLIC TRANSPORTATION FOR GRANTS FOR OPERATING AND CAPITAL COSTS FOR PUBLIC TRANSPORTATION FOR FISCAL YEAR 2027.

BE IT RESOLVED by the Council of the City of Danville, Virginia that City Manager, Ken Larking, be, and he is hereby, authorized to execute and file on behalf of the City an application to the Virginia Department of Rail and Public Transportation for grants of Transportation Special Revenues, as provided by the Federal Transit Administration and the General Assembly of Virginia State Aid for Public Transportation, for operating and capital costs of the City for public transportation during Fiscal Year 2027 for which purpose the Council does hereby certify that:

1. The requested funds, if granted, shall be used in accordance with the requirements of Sections 33.2-1524 through 33.2-1529.1 of the Code of Virginia; and
2. The City of Danville shall provide for the payment of its share of said operating and capital costs as required by such Act; and
3. The records of the receipts and expenditures of such funds as are granted to the City of Danville shall be subject to audit by the Virginia Department of Rail and Public Transportation and the Auditor of Public Accounts; and

4. The funds granted to the City of Danville to defray its public transportation fuel, tires and maintenance costs, administrative costs and capital costs shall be used by the City only for the purposes authorized by the Acts of the General Assembly of Virginia; and
5. The applicant assures that it will comply with Title VI of the Civil Rights Act of 1964 and the US Department of Transportation requirements; and
6. It is the goal of the applicant that disadvantaged business enterprises be utilized to the fullest extent permitted by law, and when possible in connection with this project and that definite procedures shall be established and administered to ensure that disadvantaged businesses shall have the maximum construction contracts, supplies, equipment contracts or consultant and other services; and
7. That the City Manager, Ken Larking, be and he is hereby, authorized to accept, receive and expend the aforesaid grants of funds in the amount and for the purposes that the same are awarded and to execute such documents as may be necessary therefore and to furnish to the Virginia Department of Rail and Public Transportation such information and documents as it may require with regard to such application and grants.

Approved:

Mayor

Attest:

Clerk

Approved as to Form and
Legal Sufficiency:

City Attorney

Council Letter City of Danville, Virginia



CL - 2773

NEW BUSINESS F.

City Council REGULAR MEETING

Meeting Date: June 16, 2026

Subject: Resolution of Support For Smart Scale Applications

From: Brian Dunevant, Assistant Director of Public Works | City Engineer

COUNCIL ACTION

A Resolution of the Council of the City of Danville, Virginia Endorsing Smart Scale Applications by the City of Danville, Virginia to the Virginia Department of Transportation for Transportation Improvement Projects.

SUMMARY

Consideration of a Resolution endorsing four Smart Scale applications to be submitted by the City of Danville to the Virginia Department of Transportation for transportation improvement projects along the Riverside Drive and West Main Street corridors.

BACKGROUND

The Virginia Department of Transportation is currently accepting applications for the Smart Scale funding program. Smart Scale is a statewide prioritization process used to evaluate and fund transportation projects that improve safety, reduce congestion, enhance accessibility, and support economic development.

The City of Danville is proposing to submit four applications for transportation improvements. Three projects are along Riverside Drive and one project is along West Main Street. The proposed projects generally include pedestrian improvements, intersection and corridor safety enhancements, traffic operational improvements, and access management measures intended to improve overall mobility and connectivity.

As part of the Smart Scale application process, a resolution of support from the local governing body is required.

RECOMMENDATION

Staff recommends approval of the attached resolution endorsing the City of Danville's Smart Scale applications for submission to the Virginia Department of Transportation.

Attachments

1. Resolution
-

PRESENTED: _____

ADOPTED: _____

RESOLUTION NO. 2026-____.____

A RESOLUTION OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA
ENDORING SMART SCALE APPLICATIONS BY THE CITY OF DANVILLE, VIRGINIA TO
THE VIRGINIA DEPARTMENT OF TRANSPORTATION FOR TRANSPORTATION
IMPROVEMENT PROJECTS.

WHEREAS, the Virginia Department of Transportation is accepting applications
for Smart Scale funding; and

WHEREAS, the City of Danville desires to submit Smart Scale applications for
transportation improvement projects intended to improve roadway safety, pedestrian
accessibility, traffic operations, and multimodal connectivity; and

WHEREAS, the proposed Smart Scale applications include the following
projects:

- Riverside Drive (US 58 Business) – Piney Forest Road to Audubon Drive.
Construct intersection, pedestrian, and corridor safety improvements along the
corridor
- Riverside Drive (US 58 Business) – Westover Drive to Mount Cross Road.
Construct intersection, pedestrian, and access management improvements along
the corridor
- Riverside Drive (US 58 Business) – Park Avenue to Westover Drive.
Construct intersection, pedestrian, and corridor safety improvements along the
corridor
- West Main Street Corridor Improvements – River Oak Boulevard to Memorial Drive.
Construct intersection and roadway safety improvements, including pedestrian
connectivity enhancements, along the West Main Street corridor; and

WHEREAS, resolutions of support from the local governing body are required to accompany the Smart Scale applications.

NOW, THEREFORE, BE IT RESOLVED, that the Council of the City of Danville, Virginia, hereby endorses and supports the submission of the Smart Scale applications identified herein to the Virginia Department of Transportation for consideration under the Smart Scale program.

Approved:

Mayor

Attest:

Clerk

Approved as to
Form and Legal Sufficiency:

City Attorney

Council Letter City of Danville, Virginia



CL - 2812

NEW BUSINESS G.

City Council REGULAR MEETING

Meeting Date: June 16, 2026

Subject: Agreement with Southwestern Virginia Gas.

From: Jason Grey, Director of Utilities

COUNCIL ACTION

A Resolution of the Council of the City of Danville, Virginia, Authorizing the City Manager to Execute an Agreement with Southwestern Virginia Gas Company for the Construction and Operation of Natural Gas Line Extension to the Berry Hill Megasite.

SUMMARY

Staff is requesting City Council authorize the City Manager to execute an agreement with Southwestern Virginia Gas Company (SVGC) for the construction and operation of a natural gas line extension to serve Microporous at the Southern Virginia Megasite (Berry Hill). The project will allow the City to construct and operate a natural gas transportation line from an interstate pipeline to a designated point of receipt within SVGC's certificated service territory. The agreement establishes the terms under which the City will provide transportation service while SVGC retains responsibility for distribution and end-use service.

BACKGROUND

Microporous has announced its intent to locate a facility at the Southern Virginia Megasite in Pittsylvania County. To support this development, significant natural gas infrastructure is required, including an extension of pipeline facilities to deliver gas to the site. SVGC, whose certificated service territory includes the project site, and the City of Danville, have negotiated an Authorization Agreement to facilitate the extension. Under this agreement:

The City will construct, own, and operate the natural gas line extension solely for transportation of gas from an interstate pipeline to SVGC's point of receipt.

- SVGC will retain exclusive responsibility for distribution and end-use service.
- The arrangement enables timely delivery of natural gas service while maintaining compliance with regulatory requirements and preserving SVGC's service rights.

This partnership supports regional economic development goals and enhances the City's ability to attract and serve large industrial customers at the Megasite

RECOMMENDATION

Staff recommends that City Council approve a Resolution authorizing the City Manager to execute an Authorization Agreement with Southwestern Virginia Gas Company for the construction and operation of a natural gas line extension to the Southern Virginia Megasite at Berry Hill.

Attachments

1. Resolution
 2. Agreement
-

PRESENTED: _____

ADOPTED: _____

ORDINANCE NO. 2026____ . ____

A RESOLUTION OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA, AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH SOUTHWESTERN VIRGINIA GAS COMPANY FOR THE CONSTRUCTION AND OPERATION OF NATURAL GAS LINE EXTENSION TO THE BERRY HILL MEGASITE.

WHEREAS, Southwestern Virginia Gas Company ("SVGC") and the City of Danville ("City") have developed an Authorization Agreement for the construction and operation of a natural gas line extension to serve a large industrial customer located at the Danville-Pittsylvania Regional Industrial Facility Authority property; and

WHEREAS, the customer's facility will be located within SVGC's certificated service territory and will require new gas infrastructure, including gas mains, metering, and related facilities; and

WHEREAS, the Authorization Agreement permits the City to construct, own, and operate a gas transportation line extension from an interstate pipeline interconnection point to an agreed point of receipt within SVGC's service territory solely to provide transportation service to the customer; and

WHEREAS, SVGC retains its exclusive rights to provide distribution and end-use gas service within its certificated service territory, and the City's role is limited to transportation service under the terms of the agreement; and

WHEREAS, the Parties acknowledge that the arrangement supports economic development by facilitating natural gas service to a major industrial customer while avoiding the need for contribution in aid of construction or collateral requirements; and

WHEREAS, the Authorization Agreement outlines the responsibilities of both parties, including compliance with applicable laws, indemnification, and coordination with the Virginia State Corporation Commission; and

WHEREAS, City Council finds that entering into this Authorization Agreement is in the best interest of the City of Danville and supports regional economic development initiatives.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Danville, Virginia, that the City Manager is hereby authorized to execute the Authorization Agreement between the City of Danville and Southwestern Virginia Gas Company, in substantially the form attached hereto, with such minor modifications as may be approved by the City Attorney; and

BE IT FINALLY RESOLVED that this Resolution shall become effective immediately upon adoption.

Approved:

Mayor

Attest:

City Clerk

Approved as to
Form and Legal Sufficiency:

City Attorney

**AUTHORIZATION FOR THE CONSTRUCTION AND OPERATION OF A CERTAIN
GAS LINE EXTENSION**

BETWEEN

Southwestern Virginia Gas Company

AND THE

City of Danville, Virginia

This Authorization for the Construction and Operation of Certain Gas Facilities (“Authorization”) is hereby made by Southwestern Virginia Gas Company (“SVGC”) on this __ day of ____, ____ (“Execution Date”) for the benefit of the City of Danville, Virginia, (the “City”) (the City and the Company, together, the “Parties” and each individually, a “Party”). The Parties state as follows:

WHEREAS, a potential large gas customer (“Customer”) intends to construct a facility at the Danville-Pittsylvania Regional Industrial Facility Authority property located at 3304 Berry Hill Road (the “Customer Facility”);

WHEREAS, the Customer Facility will be located within the certificated service territory of SVGC, as more particularly depicted in Exhibit A;

WHEREAS, for the Customer Facility to receive natural gas service from SVGC, new gas mains, meter installations and other facilities must be constructed;

WHEREAS, for SVGC to construct the mains and facilities necessary to provide service to the Customer, SVGC must invest in significant infrastructure, which would necessitate either a contribution in aid of construction (“CIAC”) payment from the Customer, or a commitment of collateral in order to avoid risk to other SVGC customers;

WHEREAS, to avoid the need for CIAC payments or collateral commitments by Customer to SVGC, Customer has requested that the City extend its existing gas infrastructure within SVGC’s service territory granted and authorized by the Virginia State Corporation Commission (“SCC”);

WHEREAS, SVGC supports a single extension of the City Line Extension (as defined below) up to the SVGC Point of Receipt (as defined below), specifically as delineated in Exhibit B;

WHEREAS, the Parties agree that, upon completion of the City Line Extension the City will provide transportation service only from the interconnection point at the interstate pipeline to the SVGC Point of Receipt and the Customer will take service from SVGC pursuant to the rates, terms, and conditions approved by the SCC;

WHEREAS, SVGC agrees that the construction and operation of the City Line Extension in accordance with the authorization and terms provided for herein does not alter, violate, or offend SVGC’s exclusive certificated service territory;

WHEREAS, it is the mutual understanding of the Parties that the SCC must be notified by SVG C of this Authorization but that no formal Commission proceeding or approval is required;

The Exhibits attached hereto are made a part hereof and are designated as follows:

Exhibit A – Map of SVG C Service Territory Relative to Customer Location

Exhibit B – Map of City Line Extension

The Parties hereby contract and agree with each other as follows:

I. Authorization and Terms

- A. SVG C hereby authorizes (the “Authorization”) the City to construct, own and operate the City Line Extension within SVG C’s certificated service territory solely for the provision of natural gas transportation service to the Customer, subject to the terms and conditions set forth herein and solely as expressly permitted herein. For the avoidance of doubt, the City shall have no right, and this Authorization shall not permit the City, to construct, own or operate any gas facilities within SVG C’s service territory other than the City Line Extension, only to the extent it is utilized to provide transportation service up to the SVG C Point of Receipt and only for the benefit of delivering natural gas to the Customer, all in accordance with the terms and conditions set forth herein.
- B. “City Line Extension” means (i) a single gas transportation line extension from a single point of interconnection at the Interstate Pipeline extending into SVG C’s service territory specifically as depicted on Exhibit B and (ii) any necessary lateral and distribution line(s) therefrom up to the SVG C Point of Receipt.
- C. “SVG C Point of Receipt” means SVG C’s point of receipt at the underground transition valve at the inlet to one meter installation where SVG C will receive gas transported through the City Line Extension for the benefit of the Customer.
- D. The City acknowledges and agrees that the Authorization is contingent upon the City’s compliance with all applicable federal, state, and local laws, regulations, codes, and rules (“Laws”) and the City agrees to comply with all applicable Laws. Upon a violation of the foregoing, the City shall have at least ninety (90) days from the time of such violation may become known to cure the same.
- E. The Parties acknowledge and agree that the City’s construction, operation, maintenance or management of the City Line Extension is for its own accord and not on behalf of SVG C and that SVG C shall not be responsible for any compliance matters with respect to the City Line Extension or the City’s conduct related thereto.
- F. The Authorization shall only permit the City to provide gas transportation service between the Interstate Pipeline and the SVG C Point of Receipt the benefit of the Customer. The Parties may, but shall have no obligation to, agree in the future for SVG C to separately

authorize the City to provide transportation services via the City Line Extension to other customers within SVGC's certificated service territory.

- G. SVGC shall maintain the sole right to provide commodity, distribution, end-use or other service within its certificated service territory. For clarity, this Authorization does not imply or grant any right to, or permit, the City to (i) provide transportation service to any customer within SVGC's certificated service territory other than the Customer in accordance with the terms hereof or (ii) provide gas commodity, distribution, end-use or other service to any customer, including the Customer, within SVGC's certificated service territory.
- H. SVGC agrees that the Customer may, at its election, contract with the City for transportation services to transport gas from the Interstate Pipeline to the SVGC Point of Receipt in accordance with the terms and conditions of the Authorization and, provided that the Customer also agrees to take distribution, end-use or other service exclusively from SVGC pursuant to the rates, terms, and conditions approved by the SCC, such transportation service provided in accordance with the foregoing would not alter, violate, or offend SVGC's exclusive service territory rights. The proper execution and continued implementation of such a transportation agreement is a condition precedent to the effectiveness of the Authorization.
- I. If the City is in breach or violation of a term or provision of this Authorization other than the unauthorized service to a customer other than the Customer (a "Non-Service Breach"), the City shall have at least ninety (90) days from the time such Non-Service Breach may become known to cure such Non-Service Breach (the "Cure Period"), this Cure Period however shall be extended so long as the City is working in good faith to cure the Non-Service Breach and is communicating regularly with SVGC regarding such efforts.
- J. The Parties agree that this Authorization, subject to the terms and conditions herein, is permanent and unconditional and may not be revoked except (i) upon the mutual agreement of the Parties; (ii) by SVGC upon the provision of service by the City to a customer other than Customer within SVGC's service territory without SVGC's express written authorization, or; (iii) by SVGC upon a Non-Service Breach that remains uncured beyond the applicable Cure Period, which, for the avoidance of doubt, shall be extended so long as the City is working in good faith to cure the Non-Service Breach and is communicating regularly with SVGC regarding such efforts.

II. Additional Terms and Agreements

- A. Notice to State Corporation Commission - Because the City is not subject to SCC jurisdiction and will not provide end-use gas distribution service to customers behind the SVGC Point of Receipt, it is the mutual understanding of the Parties that SCC approval of this Authorization is not required but that SVGC is required to file this Authorization with

the SCC. To that end, SVG C agrees that it will file this Authorization with the SCC within fifteen (15) days of the Execution Date and provide a copy of such filing to the City. If SVG C fails to provide a copy of such a timely filing to the City, then SVG C hereby authorizes the City to file a copy of this Authorization with the SCC on behalf of the Parties.

- B. State Corporation Commission Directed Proceedings. If the SCC or its staff (“Staff”) recommends or directs SVG C to seek SCC approval for this Authorization, then the City agrees to work with SVG C in obtaining such approval. Each party shall be responsible for their own legal fees and expenses associated with obtaining such approval.
- C. Non-transferability - The Parties agree that the City may not transfer or assign this Authorization without the express written consent of SVG C.
- D. No further duties - This Authorization does not imply further obligations between the Parties beyond those specified here. This Authorization does not obligate the City to provide gas transportation service to SVG C or any SVG C customer nor does this Authorization require SVG C to take such service. Nothing in this Authorization obligates SVG C to make payments to the City.
- E. Warranty
 - (i) SVG C warrants that it is a legal business entity duly organized and existing under the laws of the Commonwealth of Virginia, and the individual executing this Agreement on behalf of SVG C has been duly authorized to execute this Agreement on its behalf.
 - (ii) The City warrants that it is a municipal corporation duly organized and existing under the laws of the Commonwealth of Virginia, and the individual executing this Agreement on behalf of the City has been duly authorized to execute this Agreement on its behalf.
- F. Indemnification - The City shall, to the extent permitted by law, indemnify, defend, and hold harmless SVG C, its officers, directors, employees, and agents from and against any and all losses, damages, liabilities, claims, costs, and expenses (including reasonable attorneys’ fees and court costs) arising from or in connection with the construction, ownership, operation, or maintenance of the City Line Extension or the City’s conduct or obligations under this Authorization or under applicable Laws. This indemnity shall, to the extent permitted by law, apply whether such losses, damages, or liabilities arise from the City Line Extension or from any breach, violation, or non-compliance by the City with any term of this Agreement or any applicable Law, rule, or regulation. The City’s obligations under this provision shall survive termination or revocation of this Authorization.
- G. Severability - In the event any provision, or any part or portion of any provision, of this Authorization shall be declared by a court of competent jurisdiction to be unlawful, invalid,

void or otherwise unenforceable, the remainder of this Authorization shall be severable and remain enforceable. Only the provision (or part or provision thereof) so declared shall be considered unlawful, invalid, or otherwise unenforceable. This Authorization may be executed in counterparts.

- H. Governing Law - This Authorization shall be governed by and constructed in accordance with the laws of the Commonwealth of Virginia, without regard to conflict of laws provisions.
- I. Venue and Jurisdiction. Except for those matters that fall under the jurisdiction of the Virginia State Corporation Commission, for all litigation, disputes and controversies which may arise out of or in connection with this Authorization, the undersigned irrevocably and unconditionally consent and agree to the venue and exclusive jurisdiction of the State of Virginia Courts located in the Pittsylvania County, Virginia, or the United States Federal Court located in Lynchburg, Virginia.
- J. Duly Authorized. By their execution of this Authorization, the Parties certify that this Authorization has been duly authorized and executed.

[Signatures follow.]

IN WITNESS HEREOF, the Parties hereby cause this Authorization to be signed as of the first month, day, and year written above.

SOUTHWESTERN VIRGINIA GAS COMPANY

By: _____

Name: _____

Title: _____

Federal Tax ID: _____

CITY OF DANVILLE VIRGINIA

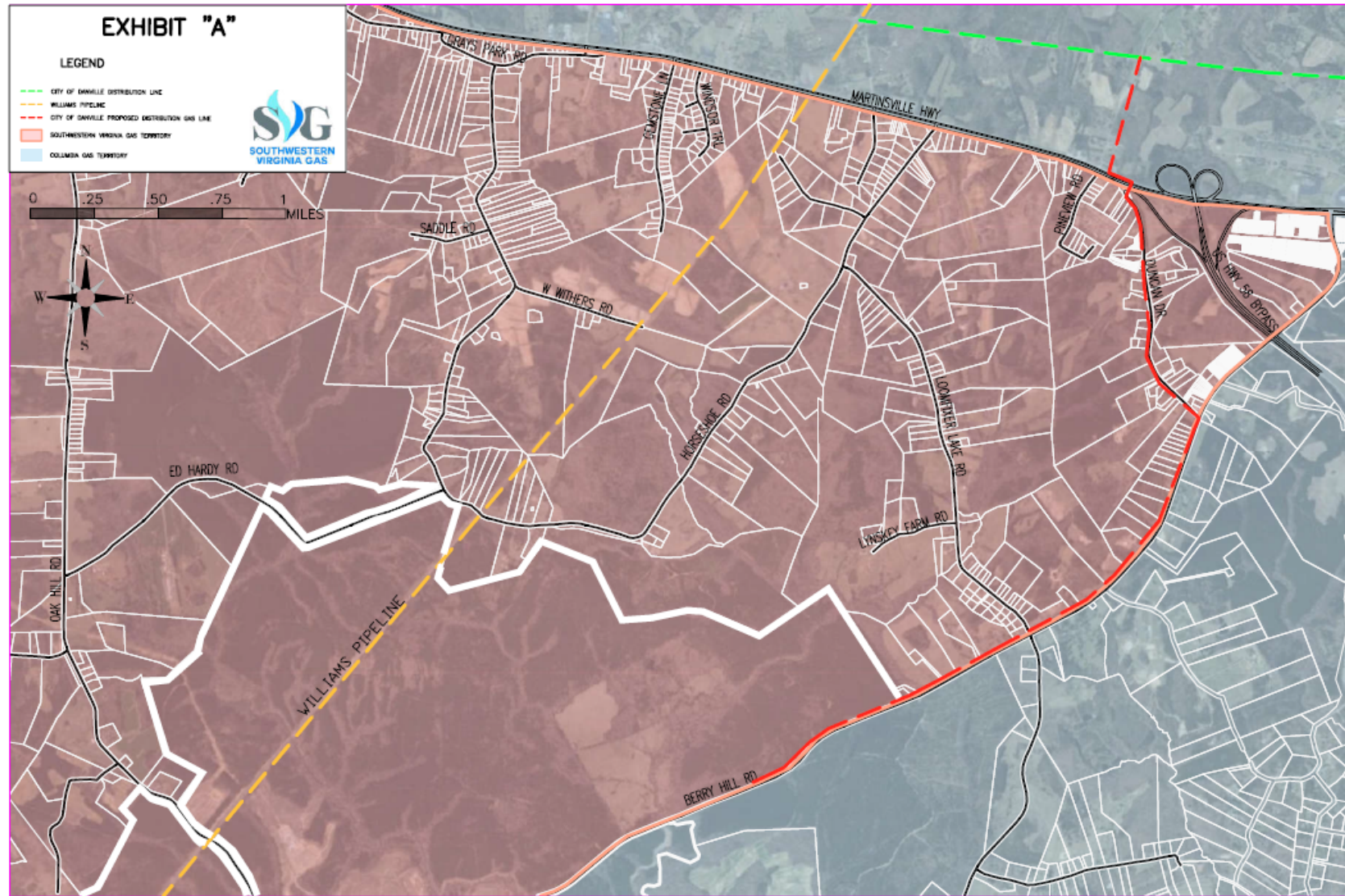
By: _____

Name: Ken Larking

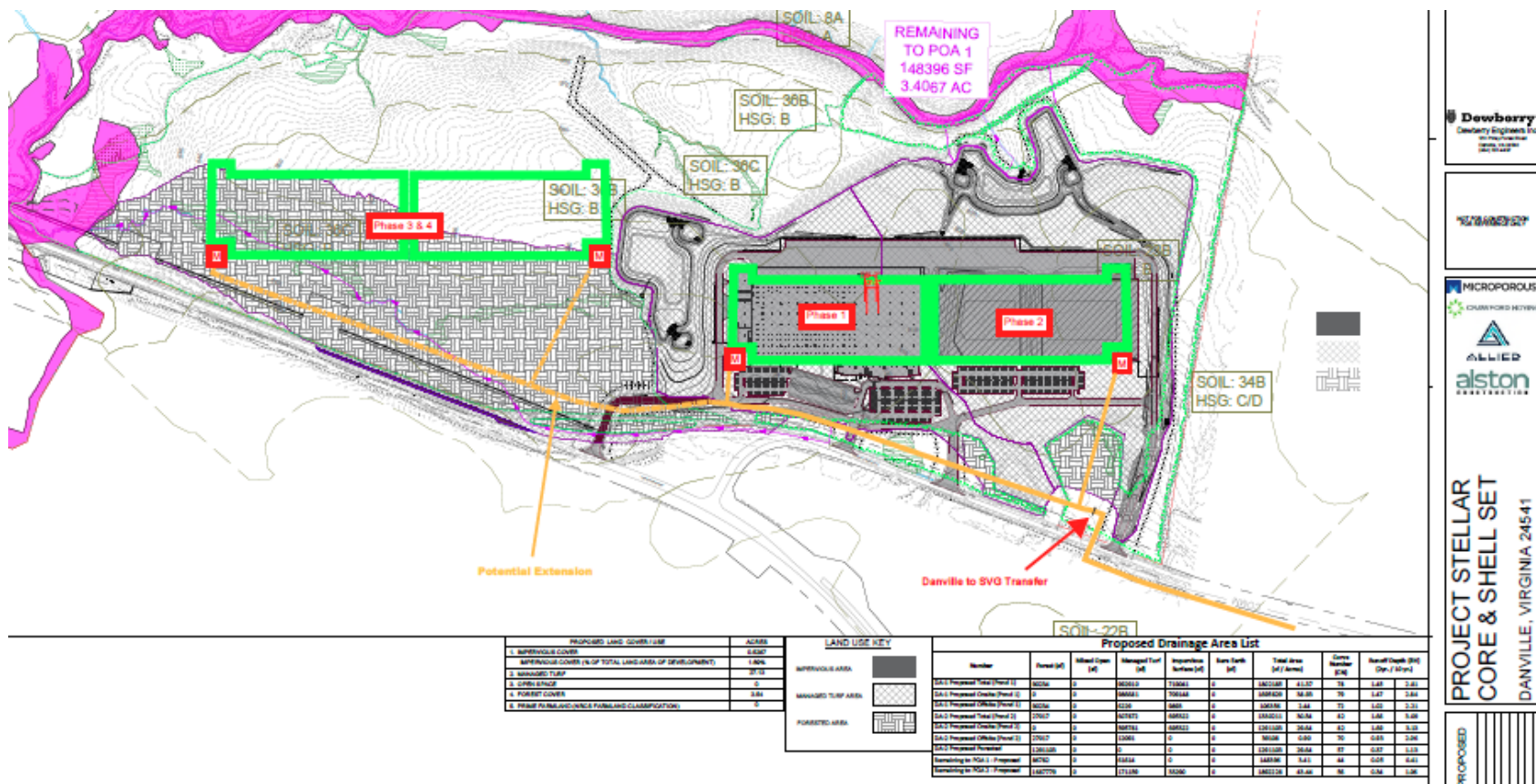
Title: City Manager

Exhibit A

Map of SVGC Service Territory Relative to Customer Location



Map of City Line Extension



4939-0835-8536, v. 9

Council Letter City of Danville, Virginia



CL - 2811

NEW BUSINESS H.

City Council REGULAR MEETING

Meeting Date: June 16, 2026

Subject: Elderly and Disabled Real Estate Tax Relief

From: Michael Adkins, Assistant City Manager-Chief Financial Officer

COUNCIL ACTION

1. Public Hearing
2. An Ordinance of the Council of the City of Danville, Virginia Amending Article IV, entitled "Real Estate and Mobile Home Tax Exemption and Deferral for Certain Elderly and Disabled Persons," of Chapter 37, Entitled "Taxation," of the Danville City Code to Allow for Revisions to the Real Estate Exemption and Deferral Program.
First Reading

SUMMARY

This ordinance will change Danville City Code Sections 37-62 and 37-66 regarding the City's Elderly and Disabled Real Estate Tax Exemption Program. The maximum allowed income will be increased from \$40,000 to \$45,000, allowing increased participation in the exemption program.

BACKGROUND

Danville City Code Sections 37-62 and 37-66 provide for the exemption of real estate taxes for qualifying elderly or disabled citizens. Currently, those who are at least 65 years old and have a household income of \$40,000 or less are able to apply for this program. An exemption of 100% of real estate taxes is granted to those with income of \$20,000 or less and a 50% exemption to those with income between \$20,001 and \$40,000. The original income limit for this program was \$20,000 and was adjusted in fiscal years 2023, 2024, and 2025.

Beginning with fiscal year 2023, the income limit was increased to \$30,000 with the intention of considering additional increases in future fiscal years, depending upon the budgetary impact of initial increases. In fiscal year 2024, the income limit was increased again from \$30,000 to \$35,000; and then again in fiscal year 2025 from \$35,000 to \$40,000. Since fiscal year 2023, the impact of the income limit increases has resulted in the addition of about 50 qualifying taxpayers, at an added annual cost of \$30,000. The total cost of the elderly relief program in fiscal year 2025 was \$63,000.

Staff now supports increasing the income limit from \$40,000 to \$45,000 and observing the resulting budgetary impact. Estimating the cost of this change is not possible as we do not have access to individual household incomes, which would provide an idea of the number of qualifying real estate owners.

RECOMMENDATION

Staff recommends adoption of the attached ordinance to incorporate the suggested changes to the City's tax exemption program for the elderly and/or permanently and totally disabled.

Attachments

1. Ordinance
-

PRESENTED: _____

ADOPTED: _____

ORDINANCE NO. 2026-____ . ____

AN ORDINANCE OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA AMENDING ARTICLE IV, ENTITLED "REAL ESTATE AND MOBILE HOME TAX EXEMPTION AND DEFERRAL FOR CERTAIN ELDERLY AND DISABLED PERSONS," OF CHAPTER 37, ENTITLED "TAXATION," OF THE DANVILLE CITY CODE TO ALLOW FOR REVISIONS TO THE REAL ESTATE EXEMPTION AND DEFERRAL PROGRAM.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Danville, Virginia, that Article IV, entitled "Real Estate and Mobile Home Tax Exemption and Deferral for Certain Elderly and Disabled Persons," of Chapter 37, entitled "Taxation," of the Code of the City of Danville, Virginia 1986 as amended, be, and the same is hereby, amended and reordained to read as follows:

Chapter 37. TAXATION

Article IV. Real Estate and Mobile Home Tax Exemption and Deferral for Certain Elderly and Disabled Persons

Sec. 37-62. General restrictions, conditions and qualifications.

- (a) The exemption and deferral provided by this article shall be subject to the following restrictions, conditions and qualifications:
- (1) That the title to the property for which such exemption and/or deferral is claimed must, on the thirtieth day of June immediately preceding the tax year for which the exemption and/or deferral is claimed, be owned or partially owned by the person or persons claiming the exemption and/or deferral.
 - (2) That the property for which the exemption and/or deferral is claimed must be occupied as the sole dwelling of the person or persons claiming the exemption and/or deferral.
 - (3) That the person or persons, claiming the exemption and/or deferral must, on the thirtieth day of June immediately preceding the tax year for which the exemption and/or deferral is claimed, be sixty-five (65) years of age or older, or be permanently and totally disabled.
 - (4) That the total income during the calendar year immediately preceding the tax year for which the exemption and/or deferral is claimed, from all sources of the owners of the dwelling living therein and of the owners' relative living in the

dwelling for which tax relief as set forth under this article is claimed does not exceed forty-five thousand dollars (\$40,000.00); provided that the first four thousand dollars (\$4,000.00) of income of such relative, other than a spouse, who is living in the dwelling shall not be included in such total income. An owner who is permanently and totally disabled shall deduct an additional seven thousand five hundred dollars (\$7,500.00) from their total income for a total of ~~forty-seven~~ fifty-two thousand five hundred dollars (\$52,500.00).

(5) That the combined financial worth, including equitable interests of all owners of the dwelling for which the exemption is claimed, and of the spouse of each such owner, does not exceed fifty thousand dollars (\$50,000.00) as of the thirty-first day of December next preceding the tax year for which the exemption and/or deferral is claimed excluding:

- a. The value of the dwelling and the land, not exceeding one (1) acre, upon which it is situated.
- b. The value of furnishings, including furniture, household appliances and other items typically used in a home.

(6) That a dwelling jointly owned by a husband and wife may qualify if either spouse is over sixty-five (65) years of age or is permanently and totally disabled.

(b) The fact that persons who are otherwise qualified for the exemption and/or deferral provided for in this article are residing in hospitals, nursing homes, convalescent homes or other facilities for physical or mental care for extended periods of time shall not be construed to mean that the property for which the tax exemption and/or deferral is claimed does not continue to be the sole dwelling of such persons during such extended periods of other residence, so long as such property is not used by or leased to others for consideration.

Sec. 37-66. Amount of exemption and/or deferral.

(a) The tax exemption and/or deferral determined by the total income of those applicants who meet the combined financial worth standard of fifty thousand dollars (\$50,000.00) or less shall be determined as shown on the following schedule:

	Combined Financial Worth
Total Income	50,000 or less
0—20,000	100% exemption
20,001—50,000	50% exemption

The maximum annual exemption and/or deferral on any one (1) property shall be seven hundred dollars (\$700.00).

(b) Such exemption and/or deferral shall be determined and credited only to the tax liability of the person or persons claiming and otherwise qualified for the exemption and/or

deferral and for only the property and tax year for which the exemption and/or deferral is claimed and any deferral shall continue to constitute a lien on the dwelling.

AND BE IT FINALLY ORDAINED, that all other provisions and Sections of said Article, Chapter and Code be and the same are hereby continued in full force and effect unless and until the same are hereafter amended or repealed.

Approved:

Mayor

Attest:

Clerk

Approved as to
Form and Legal Sufficiency:

City Attorney

Council Letter City of Danville, Virginia



CL - 2822

NEW BUSINESS I.

City Council REGULAR MEETING

Meeting Date: June 16, 2026

Subject: Reducing the Curbside Recycling Fee.

From: Henrietta Weaver, Budget Director

COUNCIL ACTION

An Ordinance of the Council of the City of Danville, Virginia Amending and Establishing Certain City of Danville Public Works Department Sanitation Fees Effective July 1, 2026.

First Reading

SUMMARY

A reduction of the annual subscription-based curbside recycling program fee from \$90 to \$52 is proposed to improve affordability and encourage greater participation in the program. The reduced annual fee would be effective July 1, 2026, and payable in advance of July 1 at the Public Works Office. Recycling carts are provided at no cost to participating residents upon request. Collection will continue to be semimonthly.

BACKGROUND

On June 21, 2011, the City established a subscription-based curbside recycling program for Danville residents, which officially launched on August 1, 2011. Since its inception, the City has progressively reduced the annual rate to ease the financial burden on residents and encourage participation:

2011: \$260 per year (\$5.00 per collection)

2013: \$195 per year (\$3.75 per weekly collection)

2016: \$90 per year (\$3.75 per semimonthly collection)

RECOMMENDATION

It is recommended that City Council adopt the attached ordinance reducing the subscription-based curbside recycling fee effective July 1, 2026.

Attachments

1. Ordinance
-

PRESENTED: _____

ADOPTED: _____

ORDINANCE NO. 2026-____ . ____

AN ORDINANCE OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA
AMENDING AND ESTABLISHING CERTAIN CITY OF DANVILLE PUBLIC WORKS
DEPARTMENT SANITATION FEES EFFECTIVE JULY 1, 2026.

WHEREAS, the City of Danville charges fees for services rendered, permits
and applications; and

WHEREAS, fees for services rendered, permits, and applications are designed
to help recoup a portion of the costs of providing those services.

NOW THEREFORE, BE IT ORDAINED, by the Council of the City of Danville,
Virginia, that certain fees, be, and the same are hereby, established and approved in
accordance with the schedule, which is hereto attached and made a part hereof, as if fully set
forth within;

AND BE IT FURTHER ORDAINED that this Ordinance shall be and become
effective on and as of July 1, 2026.

Approved:

Mayor

Attest:

Clerk

Approved as to
Form and Legal Sufficiency:

City Attorney

**CITY OF DANVILLE
PUBLIC WORKS DEPARTMENT
SANITATION FEE
EFFECTIVE JULY 1, 2026**

Pursuant to Danville City Code § 2-9, § 17-24, and Danville City Charter § 2-6.

FEE	CURRENT	PROPOSED
Curbside recycling collection fee	\$90	\$52

Council Letter City of Danville, Virginia



CL - 2777

NEW BUSINESS J.

City Council REGULAR MEETING

Meeting Date: June 16, 2026

Subject: Amending the Fiscal Year 2027 Budget Appropriation Ordinance for an Airport Maintenance Grant

From: Todd Pinekenstein, Transportation Building and Grounds Superintendent

COUNCIL ACTION

An Ordinance of the Council of the City of Danville, Virginia Amending the Fiscal Year 2027 Budget Appropriation Ordinance to Provide for State Department of Aviation Maintenance Grant Funds Related to the Maintenance of Certain Airport Properties in the Amount of \$100,000 and for the Local Share in the Amount of \$45,000 for a Total Appropriation of \$145,000 and Appropriating the Same.

First Reading

SUMMARY

The Virginia Department of Aviation provides airport maintenance grant funding to assist airports with preserving facilities in a safe and economical operating condition. Maintenance grant funding will allow Virginia airports to complete repairs and purchase building and grounds equipment, and supplies.

BACKGROUND

Eligible maintenance activities for State Airport Maintenance funds include scheduled and unscheduled repairs that are not completed each quarter. State maintenance funds can also be used to finance equipment purchases. Funding levels vary for different projects based on state guidelines. Projects that support facility preservation, such as maintaining pavement, are funded at higher levels than for the replacement of buildings and grounds equipment. For Fiscal Year 2027, the Danville Regional Airport plans to use available maintenance funding for the purchase of airport equipment and supplies, crack sealing and seal coating the main terminal apron, pavement repairs for airport parking areas, airfield lighting repairs, and the replacement of an automatic security gate.

RECOMMENDATION

It is recommended that City Council approve the Ordinance amending the Fiscal Year 2027 Budget Appropriation Ordinance to provide for Virginia Department of Aviation Maintenance funds, and for the local share appropriating the same.

Attachments

1. Ordinance
-

PRESENTED: _____

ADOPTED: _____

ORDINANCE NO. 2026 - _____ . _____

AN ORDINANCE OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA AMENDING THE FISCAL YEAR 2027 BUDGET APPROPRIATION ORDINANCE TO PROVIDE FOR STATE DEPARTMENT OF AVIATION MAINTENANCE GRANT FUNDS RELATED TO THE MAINTENANCE OF CERTAIN AIRPORT PROPERTIES IN THE AMOUNT OF \$100,000 AND FOR THE LOCAL SHARE IN THE AMOUNT OF \$45,000 FOR A TOTAL APPROPRIATION OF \$145,000 AND APPROPRIATING THE SAME.

BE IT ORDAINED by the Council of the City of Danville, Virginia that the Fiscal Year 2027 Budget Appropriation Ordinance be, and it is hereby, amended by increasing revenues from the Commonwealth of Virginia, Department of Aviation, in an amount of \$100,000 and the local share for \$45,000 for an aggregate amount of \$145,000 for the purpose of providing for a State funded Airport Maintenance Program at the Danville Regional Airport such funds to be appropriated in the Support of Grants Fund as follows:

ANTICIPATED REVENUES

<u>Description</u>	<u>Account No.</u>	<u>Amount</u>
FY2027 Airport Maintenance		
Categorical Aid – State	62111000-45712	\$ 100,000
Local Share	62111000-6101	<u>\$ 45,000</u>
	TOTAL	<u>\$ 145,000</u>

ANTICIPATED EXPENDITURES

<u>Description</u>	<u>Account No.</u>	<u>Amount</u>
FY 2027 Airport Maintenance	62111999-50	<u>\$ 145,000</u>

AND BE IT FINALLY ORDAINED that all other accounts and provisions of the Fiscal Year 2027 Budget Appropriation Ordinance, as amended, not hereby amended, shall continue in full force and effect unless and until hereafter further amended or repealed.

Approved:

Mayor

Attest:

Clerk

Approved as to
Form and Legal Sufficiency:

City Attorney

Council Letter City of Danville, Virginia



CL - 2782

NEW BUSINESS K.

City Council REGULAR MEETING

Meeting Date: June 16, 2026

Subject: Consideration of Amending the Fiscal Year 2026 Budget Appropriation Ordinance for a Grant from the U.S. Department of Housing and Urban Development.

From: Renee Burton, Division Director of Planning

COUNCIL ACTION

An Ordinance of the Council of the City of Danville, Virginia Amending the Fiscal Year 2026 Budget Appropriation Ordinance to Provide for a U.S. Department of Housing and Urban Development EDI-CPF Award Related to the Rehabilitation of 351 Holbrook Street in the Amount of \$1,742,000 and Appropriating the Same.

First Reading

SUMMARY

Review a proposed amendment to the Fiscal Year 2026 Budget for a FY 2026 EDI-CPF Award of \$1,742,000.00 for the rehabilitation of 351 Holbrook Street to create the Cunningham and Hughes Neighborhood Development Center.

BACKGROUND

The City of Danville is the recipient of an EDI-CPF Award, from the United States Department of Housing and Urban Development, in the amount of \$1,742,000. The award will be used to rehabilitate 351 Holbrook Street, previously the Cunningham and Hughes funeral home, to create the Cunningham and Hughes Neighborhood Development Center. The Center will contain operational offices for the Danville Neighborhood Development Corporation (DNDC), a community center, two (2) upper level residential units and a lower level garage for DNDC maintenance equipment.

RECOMMENDATION

It is recommended that City Council approve the Ordinance amending the Fiscal Year 2026 Budget Appropriation Ordinance to provide for the FY2026 EDI-CPF Awards, and for the local share appropriating the same.

Attachments

1. Ordinance
 2. Award Letter
-

PRESENTED: _____

ADOPTED: _____

ORDINANCE NO. 2026- ____ . ____

AN ORDINANCE OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA AMENDING THE FISCAL YEAR 2026 BUDGET APPROPRIATION ORDINANCE TO PROVIDE FOR A U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT EDI-CPF AWARD RELATED TO THE REHABILITATION OF 351 HOLBROOK STREET IN THE AMOUNT OF \$1,742,000 AND APPROPRIATING THE SAME.

BE IT ORDAINED by the Council of the City of Danville, Virginia that the Fiscal Year 2026 Budget Appropriation Ordinance be, and it is hereby, amended by increasing revenues from an Economic Development Initiative (EDI) – Community Project Funding (CPF) Award from the United States Department of Housing and Urban Development in an amount of One Million Seven Hundred Forty-two Thousand Dollars (\$1,742,000) for the purpose of rehabilitation of 351 Holbrook Street to create the Cunningham and Hughes Neighborhood Development Center, and appropriating the same within the Special Revenue Fund, such appropriations to be as follows:

ANTICIPATED REVENUE

<u>Description</u>	<u>Account No.</u>	<u>Amount</u>
U.S. Department of Housing and Urban Development Cunningham and Hughes Neighborhood Development Center Federal Grant – HUD	62110000-48057	\$ 1,742,000

ANTICIPATED EXPENDITURES

<u>Description</u>	<u>Account No.</u>	<u>Amount</u>
Cunningham and Hughes Neighborhood Development Center	62110999-50	\$ 1,742,000

AND BE IT FURTHER ORDAINED that this appropriation shall be a continuing appropriation and shall carry forward from year to year until expended for the purpose for which appropriated; and

BE IT FINALLY ORDAINED that all other accounts and provisions of the Fiscal Year 2026 Budget Appropriation Ordinance, as amended, not hereby amended, shall continue in full force and effect unless and until hereafter further amended or repealed.

Approved:

Mayor

Attest:

Clerk

Approved as to
Form and Legal Sufficiency:

City Attorney



ASSISTANT SECRETARY FOR
COMMUNITY PLANNING AND DEVELOPMENT

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-7000

April 28, 2026

City of Danville
427 Patton Street
Danville, VA 24541
RE: CPF Grant No. B-26-CP-VA-2147

Dear City of Danville,

Sustained economic growth and access to affordable housing are mutually reinforcing priorities that shape the well-being of American families and the competitiveness of the national economy. To support these objectives, the Fiscal Year (FY) 2026 Consolidated Appropriations Act provides a total of \$3.62 billion in Economic Development Initiative (EDI) - Community Project Funding (CPF), supporting over 2,200 projects across the country.

On behalf of the U.S. Department of Housing and Urban Development (HUD), congratulations on your FY 2026 EDI-CPF award. Key details of your award include:

- Grant Amount: \$1,742,000.00
- Project Description: Cunningham and Hughes Neighborhood Development Center
- Congressional Sponsor(s): Senator Kaine, Senator Warner

Advancing projects that stimulate job creation, attract private investment, and expand housing supply is critical to bringing tangible benefits to working families and communities. HUD's Office of Community Planning and Development (CPD) looks forward to supporting you in administering your award and ensuring your project is implemented in accordance with applicable laws and procedures. We are committed to helping you navigate requirements, address challenges, and share best practices to maximize the impact of these funds. Our team is actively preparing training, resources, and technical assistance materials and will share them with you in the coming weeks. In the interim, if you have immediate questions, please submit them via: <https://www.hudexchange.info/program-support/my-question/>.

Thank you for your interest in CPD programs. With your help, these investments will strengthen local economies, create jobs, and broaden opportunities for years to come.

Sincerely,

A handwritten signature in black ink, reading "Ronald J. Kurtz".

Ronald J. Kurtz
Assistant Secretary
for Community Planning and Development