



DANVILLE CITY COUNCIL REGULAR MEETING AGENDA

MUNICIPAL BUILDING

August 18, 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

MEETING MINUTES

- A. Consideration of Approval of Minutes from Regular Council Meeting held on July 21, 2026.
Council Letter Number CL - 2925.

NEW BUSINESS

- A. Review of General Fund Financials as of June 30, 2026.
Council Letter Number CL - 2827.
Review of General Fund Financials as of June 30, 2026. Financial Statements are included.
- B. Consideration of a Resolution of Official Intent to Reimburse Expenditures with Proceeds of a Borrowing.
Council Letter Number CL - 2883.
A Resolution of the Council of the City of Danville, Virginia, Declaring Official Intent to Reimburse Expenditures with Proceeds of a Borrowing.
- C. Consideration of a Resolution of Support for Piney Forest Road Project UPC 123202.
Council Letter Number CL - 2884.
A Resolution of the Council of the City of Danville, Virginia, Expressing Continued Support for the Piney Forest Road Improvements Project.
- D. Consideration of a Resolution of Support for State of Good Repair Project UPC 128926.
Council Letter Number CL - 2885.
A Resolution of the Council of the City of Danville, Virginia, Supporting the West Main Street State of Good Repair Resurfacing Project and Authorizing the Use of Local Matching Funds.
- E. Consideration of Amending and Establishing Rental Fees for Airport Facilities.
Council Letter Number CL - 2864.
1. Public Hearing
 2. An Ordinance of the Council of the City of Danville, Virginia Amending and Establishing Monthly Rental Fees for a New Hangar Located at the Danville Regional Airport Effective August 17, 2026.

COMMUNICATIONS FROM VISITORS

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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.

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 - 2925

MEETING MINUTES A.

City Council REGULAR MEETING

Meeting Date: August 18, 2026

Subject: Approval of Minutes.

From: Susan DeMasi, City Clerk

COUNCIL ACTION

Consideration of Approval of Minutes from Regular Council Meeting held on July 21, 2026.

Attachments

1. Meeting Minutes
-

July 21, 2026

The Second July meeting of the Danville City Council was held on July 21, 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, Bryant Hood, Mayor Alonzo L. Jones, Daniel W. Marshall, Barry P. Mayo, Gary P. Miller, Sherman M. Saunders, and J. Lee Vogler, Jr. (8). L.G. "Larry" Campbell Jr. was absent. (1)

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 J. Lee Vogler, Jr., gave the Invocation followed by the Pledge of Allegiance.

ANNOUNCEMENTS AND SPECIAL RECOGNITIONS

Building Brighter Futures: The Danville Schools Transformation Initiative
Presented by: Dr. Angela Hairston, Superintendent, Danville Public Schools

Dr. Hairston thanked Council for the opportunity and noted she was joined by school board members, staff from the Danville Public Schools, and students. *When they began their work, they weren't simply trying to improve the school division five years ago, they were rebuilding confidence in an entire community. The Memorandum of Understanding and Corrective Action Plan did not define them, it challenged them. Rather than viewing state intervention as a limitation, they choose to see it as an opportunity to design how they would lead, how they would work together and how they would serve students. They reframed their accountability system as a catalyst for transformation. Their first realization was that their greatest challenge was not a lack of effort; people were working very, very hard in the Danville Public Schools and the community; it was a lack of coherence. Across the division, people were working hard, but too often, they were working in different directions. Instruction, operations, human resources, governance and support services operated in a parallel fashion instead of a unified system. They understood that sustainable improvement would only happen if every part of the organization moved together around a common purpose. They began rebuilding their system, not isolated initiatives, but a system. They established clear operating procedures, strengthened governance, clarified expectations when vested in leader and teacher development through partnerships. Our goal was to build capacity that will remain long after the MOU and Corrective Action Plan. The systems don't change organizations alone, people do. Transformation requires principals to become instructional leaders, central office staff to become service leaders and if a teacher was needed in a classroom, central office staff needed to be there. And every other employee needed to be there to support student success, and teachers. We shifted from compliance to continuous improvement, we learned to use data not as judgement but as information to help them grow. Then there is the City Manager and his staff, the Mayor, City Council, at every turn, they could have said no when we made requests; they actually had every reason to say that. They continue to stick by our side, support our children and make investments in the work around our community. Today, our work is no longer driven by an MOU or corrective action plan, it is by creating a high performing division, one of excellence. One where excellence was not the exception, it is the rule. They were there to build a culture, they were there to stay and support people, support the children, the community, the parents and the families. Will it improve outcomes for students, most certainly; our journey was still unfolding, through the strategic plan, academic audits, graduation*

audits, employee handbooks, policies for the board and operational systems. Again, these only represent documents, but they were evidence that a fragmented system was now cohesive and focused on continuous improvement. We are moving from a community of hope, a community of dreams to a community of opportunity. This was their story, a story of courage over comfort; it was not easy to be criticized but change does bring criticism and they must all understand that if they were to grow, there will be critics, they must endure but they cannot allow that to stop them from improving. A story of coherence versus compliance, a story of capacity versus dependence. We now see our parents and our students empowered to make a difference in their own lives. A story of people who chose to transform a school division so that every child has the opportunity to thrive. We are simply not recovering, we are meeting the challenge. We are building a school system, one system, one leader and one classroom at a time. One student at a time, and this was their story. I came here tonight with our team to thank you, because without a positive relationship between our school board and our city council and our staff, this work would be impossible. It takes all of us to invest in our children. Students approached and presented Council and staff with Danville Public Schools challenge coins. Council Members thanked Dr. Hairston and staff for the work they have done with the schools.

Presentation of Danville City Council Priorities

Presented by City Manager Ken Larking and Assistant City Manager Briana Evans

City Manager Ken Larking presented City Council Focus Areas – 2026, noting earlier this year, Council and staff had a retreat, which focused on Council's priorities. They were revised slightly to address what they were facing now, as a city that in a lot of ways has achieved the priorities that were set forth those many years ago, Growing Danville, Reducing Violent Crime and Improving Education. They want to sustain that, build on that, and the work will always continue.

Mr. Larking stated the retreat helped set the tone for how Council and staff could continue building on the positive momentum in the city. Council reviewed the casino and ARPA spending and looked at how those investments have aligned with the existing City Council priorities and from there, Council updated their priorities and identified several big ideas that could move from discussion into action. Several of the big ideas from the retreat were already moving forward including enhanced communication through a Know Your City newsletter, Youth Engagement through the Danville Police Department's Youth Advisory Board, a citizen satisfaction survey that was currently out for bid, Council's approval to reduce the curbside recycling fee and a dedicated webpage focused on senior services. Mr. Larking noted the retreat was not just a planning exercise; staff have already identified practical steps that can be, and have been taken.

Council's new priorities were to Strengthen Education, Grow Danville and Reduce Poverty; all impact each other in some way, and undergirding all of that was Partnerships. In order to be successful in all of these areas, the city needs the partners to help them move that forward. Mr. Larking noted under Grow Danville, it was about growing a robust, resilient local economy, supporting a stronger middle class, building more homes and expanding affordability throughout the community. Strengthening Education includes sustaining the momentum of accreditation. It was not a goal to be achieved, it was a milestone that has been achieved, they need to keep moving forward and sustaining that effort. They want to support youth career-readiness, academic excellence and invest in workforce education beyond the classroom and for all ages. Reducing Poverty was a new goal and something that will be critical to the City's overall success; if they do not reduce poverty, not everybody can participate in the growth and the opportunities that were coming their way, they will not be able to claim success. They want to lower the percentage of residents, including children, living in poverty. They want to have specific attention on the priority population and coordinate workforce development, social services, housing,

transportation, education and more. With Partnerships, none of this happens alone, they need to work with their partners, to work with agencies and organizations to achieve shared goals.

Assistant City Manager Briana Evans continued the presentation noting a few months ago when she started, Council affirmed its investment in Economic Mobility. They discussed the value of making sure every resident was able to meet their basic needs, able to have stable housing and employment and able to save for their own and their families' future. Council's priorities set in the retreat reaffirmed that approach to governing and to working together as a community. Strengthening Education means equipping residents with the skills and credentials needed to thrive in the community and to get stable employment. Reducing Poverty was about removing the barriers that prevent people from getting housing and employment that works for them. Growing Danville creates the jobs and the investments that they need to sustain a community that was resilient in the long run. All of this happens when they work together with the other institutions and organizations here in Danville. Those priorities were already in action in this year's budget; staff have already identified ways to move the priorities forward. Strengthening Education includes working through Project Imagine to connect youth with part time and full time apprenticeships, and bringing earning and learning to the forefront for youth across the community. In Reducing Poverty, the Community Development team was working with developers, both private and non-profit, on building more homes in the community, and making sure there was more affordable and safe housing for all. In Growing Danville, the Economic Development and Tourism team was working with partners across the city to identify the needs of small businesses and work together to adjust those needs, ensuring every entrepreneur has a shot here, that everyone was able to build a sustainable future.

Some of the next steps include working on the Fiscal Year 2027 budget. In this year's budget, staff will consider how to prioritize the three areas that Council named. They will also be working on a capital projects priority system to help guide the way that land and buildings were purchased and managed through the city. Third was a resident survey and strategic plan; this was about taking the priorities and turning them into clear action that was long-looking. They want to make sure that not only did they hear the priorities, but checked with residents, are these the things, were they were understanding what was really needed in each of these areas. Then, how do they turn their understanding into change that lasts for a long time.

Ms. Evans noted she was going to briefly speak on strategic planning because this community has been through a lot of planning and just to remind them why they might be doing this. Strategic plans were again about turning priorities into results. They were trying to align City Council and staff on the things that matter most. Dr. Hairston talked about the experience of Danville Public Schools and making sure that every part of the school system was working together, that they weren't just in parallel processes, but their work was building into something greater than the sum of their parts. That was what they were talking about with alignment through a strategic plan. On Focusing Resources, they know their resources were limited, both in terms of people, time, and money, so making sure they spend those resources in places where they can have the greatest impact, that they know what to say yes to and what to say no to. Next was Encouraging Accountability, when they have a plan and were clear about what they were trying to do, they can also tell the public, here was how they were doing, here was where they were in the progress. Last was Responding and Adapting, when they were clear on what they were trying to do, they were also able to say, this was not working or this was working. Something has changed and they need to try something different.

Some of the key points that they will be bringing was a city-wide mission/vision statement to Council for approval along with a set of outcomes related to each of the priorities that Council set.

July 21, 2026

These will be informed by community, so there will be community engagement attached to that. Eventually, departments will work with the City Manager on developing departmental action plans that say more specifically, this was how this department was contributing to the priorities of Council. Danville has PLAN Danville, a big plan that had a lot of community engagement; that comprehensive plan was a twenty year plan for the city, it says where they want to be twenty years from now. The strategic planning effort was to help the city figure out, how do they move forward in the next three to five years; what were the things they were going to do to make PLAN Danville come to fruition and what were the things they were going to do to make sure Council's priorities guide the things they chose to do. The strategic plan gives them some specific goals, it was moderated by and guides the budget; every year, there was a budget process where they pick what they were going to fund for that year and Council approves. The budget also puts some limits on what they can do; they were choosing things in the strategic plan that were possible to complete with the money and resources they have. Lastly, planning processes enable performance management; they were able to look more regularly on a quarterly basis for instance, to see what their progress looked like. Sometimes, if they don't have a plan, it can take many years to figure out if they were moving forward on the thing they were trying to do or not.

Mr. Larking explained for departments, the strategic plan clarifies how their work fits into a bigger picture. It gives staff clear guidance on what was a priority and what was not, which helps departments know what to say yes to and what to say no to. It also creates measurable goals that support communication with the public. For Council, the plan helps sustain momentum on shared priorities, supports partnership building and ensures that future decisions were informed by representative community voices. In short, this work helps council, staff and the public see how individual decisions connect to the larger direction of the city. The focus areas give them a practical way to organize their work, grow Danville, strengthen education, reduce poverty and build the partnerships needed to support all three. Most importantly, this keeps the focus on improving economic mobility, strengthening community well being and making sure Danville's momentum benefits the people who live here.

Mayor Jones noted the retreat was one of the best they have had, and this was the outcome. Mayor Jones and Council thanked the City Manager and staff for putting together a great presentation, and were glad that parts of it have already been put into motion. Mr. Larking thanked the Council for the opportunity to get together for the retreat, to discuss these priorities and refocus their attention on things that were important to them. Danville was at an inflection point, they were seeing growth for the first time in many years, and with growth comes change which can be hard. Change comes with criticism and they must endure through that criticism to continue that momentum going forward. The priorities that were set by Council to really focus in on the things that were presented earlier with Education, Growing Danville and Reducing Poverty were unique for a community of this size. Mr. Larking stated his hope for the City was that they provide prosperity across to everyone who lives here, the opportunity to grow themselves and their families, and that the jobs that they were bringing lead to them have higher household incomes.

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 July 14, 2026. No one present desired to be heard and the Public Hearing was closed.

Vice Mayor Buckner **moved** to approve the Consent Agenda items:

July 21, 2026

Consideration of Amending the Fiscal Year 2027 Budget Appropriation Ordinance for Airport Terminal Area Plan Funding

An Ordinance Entitled, Ordinance No. 2026-07.05, an Ordinance of the Council of the City of Danville, Virginia Amending the Fiscal Year 2027 Budget Appropriation Ordinance to Provide for Additional State Aviation Funding for the Purpose of Completing a Terminal Area Plan in the Amount of \$89,100 and for the Local Share in the Amount of \$9,900 for a Total Appropriation of \$99,000 and Appropriating Same.

Consideration of Amending the Fiscal Year 2027 Budget Appropriation Ordinance to Provide Funding for Construction of the new Substation at the Former Morgan Olson Facility

An Ordinance Entitled, Ordinance No. 2026-07.06, an Ordinance of the Council of the City of Danville, Virginia Amending the Fiscal Year 2027 Budget Appropriation Ordinance to Provide Funding from Unassigned Electric Fund Balance to Fund the Construction of a Substation at the Former Morgan Olson Building in the Amount of \$8,000,000 and Appropriating Same.

Consideration of Amending the Fiscal Year 2027 Budget Appropriation Ordinance to Provide Funding for the Payment of a One-Time Bonus to City Retirees

An Ordinance Entitled, Ordinance No. 2026-07.07, an Ordinance of the Council of the City of Danville, Virginia Amending the Fiscal Year 2027 Budget Appropriation Ordinance to Provide Funding from Unassigned General Fund Balance for the Payment of a One-Time Payment Bonus to City Retirees in the Amount of \$400,000 and Appropriating Same.

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

VOTE: 8-0-1
AYE: Buckner, Hood, Jones, Marshall
Mayo, Miller, Saunders and Vogler (8)
NAY: None (0)
ABSENT: Campbell (1)

NEW BUSINESS

CONSIDERATION OF THE FISCAL YEAR 2026-27 COMMUNITY DEVELOPMENT PROGRAM – ONE YEAR ACTION PLAN

Mayor Jones opened the floor for a Public Hearing regarding Community Development Program One Year Action Plan. Notice of the Public Hearing was published in the *Danville Register & Bee* on July 7, 2026, and July 14, 2026. No one present desired to be heard and the Public Hearing was closed.

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

RESOLUTION NO. 2026-07.04

A RESOLUTION OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA AUTHORIZING THE CITY MANAGER TO SUBMIT TO THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) A ONE YEAR ACTION PLAN.

July 21, 2026

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

VOTE: 8-0-1
AYE: Buckner, Hood, Jones, Marshall
Mayo, Miller, Saunders and Vogler (8)
NAY: None (0)
ABSENT: Campbell (1)

**CONSIDERATION AMENDING THE FISCAL YEAR 2027 BUDGET APPROPRIATION
ORDINANCE TO PROVIDE ADDITIONAL FUNDING TO DANVILLE PUBLIC SCHOOLS**

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

ORDINANCE NO. 2026-07.08

AN ORDINANCE OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA AMENDING THE FISCAL YEAR 2027 BUDGET APPROPRIATION ORDINANCE TO INCREASE GENERAL FUND REVENUES FROM VARIOUS SOURCES TO PROVIDE ADDITIONAL FUNDING TO DANVILLE PUBLIC SCHOOLS IN THE AMOUNT OF \$824,000 AND APPROPRIATING 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 spoke about a business being closed, noting he appeared before Council in March, May and June.

Mayor Jones recognized Kathryn Reinhardt who spoke about the condition of the Danville City Jail.

COMMUNICATIONS

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

Council Member Hood noted his congratulations to Danville native Angela Mecca Redmon who performed with Sean Jay-Z Carter at Yankee Stadium. Mr. Hood also recognized a group of young citizens named Vibes Direct who had a community backpack giveaway at the American Legion; free food, free school supplies and entertainment. This Saturday, at 609 King Street, Changing Lives Outreach Center will be helping families put food on the table, with a curbside, mobile stabilization program from noon to 1:30 p.m.

Council Member Marshall noted he was not a soccer fan but was a big fan of the FIFA fans from all over the world who came to the USA during the last forty days. They all showed pride in representing their countries and a lot of enjoyment experiencing things Americans take for granted everyday such as large retailers, free refills on drinks and ranch dressing. They also showed great sportsmanship whether their team won or lost, seemed to enjoy themselves and were welcome to return.

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Council Member Mayo noted Mr. Larking and Ms. Evans put on a great presentation, and encouraged citizens, if they have a concern, to reach out to Council or city staff.

Council Member Miller welcomed the City Manager back and noted last week he was invited to the Otterbots game and spoke to the players in the dugout. He asked how they liked being in Danville, and they all said they loved it here and that there was plenty to do.

Council Member Saunders noted the City Manager, and his staff, did a great job on the presentation; the city was in great hands, and he was very proud of what they do every day. Mr. Saunders thanked public safety for what they do every day, and thanked Dr. Hairston, the Council Members, city leaders and citizens.

Council Member Vogler noted the residents of Noel Avenue, a dead-end street, have some safety concerns; big trucks have to back up the street, and there was nowhere for them to turn around. There was an empty lot on the street and asked if the city would consider some type of turnaround area. Mr. Vogler stated the new issue of *Play Danville VA*, which was the Parks and Rec publication was out, and has information about youth leagues and fall festivals coming up.

Vice Mayor Buckner noted also inside the Play Danville VA was a calendar of events for August, they can also be looked up online at PlayDanvilleVA.com. There were a lot of things going on at the Riverfront Park in August. Mr. Buckner welcomed the Commissioner of Revenue Jack Thompson, and thanked Dr. Hairston for the outstanding job they have done.

Mayor Jones thanked Dr. Hairston, staff and students, the Gratitude Tour open house was on July 30th, and they will be touring the schools during that time.

MEETING ADJOURNED AT 8:08 P.M.

APPROVED:

MAYOR

ATTEST:

CITY CLERK

Council Letter
City of Danville, Virginia



CL - 2827

NEW BUSINESS A.

City Council REGULAR MEETING

Meeting Date: August 18, 2026

Subject: Review of General Fund Financials as of June 30, 2026.

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

COUNCIL ACTION

Review of General Fund Financials as of June 30, 2026. Financial Statements are included.

Attachments

1. Financial Statements
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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: August 10, 2026

Subject: Summary of Preliminary General Fund Financial Results for June 30, 2026

As you review the accompanying financial statements, please note that certain balances may change, as these statements are preliminary and unaudited. Many year-end closing entries depend on third-party reports from actuaries, insurance administrators, and other external sources. Several items remain outstanding and still need to be prepared and posted; however, we believe all material items have been recorded at this time. Despite these pending items, the financial statements presented should provide a reliable indication of the General Fund's financial performance for FY 2026.

Unaudited results for the fiscal year ending June 30, 2026, show revenues exceeding budget slightly at 101%, reflecting a 10% increase or \$17 million over the prior year. Revenue exceeded budgeted collections in Property Taxes, Revenue from Use of Money & Property, Miscellaneous Revenue and Intergovernmental Revenue, however revenue was under budget in several categories including Other Local Taxes, License Permits & Fees, Fines & Forfeitures, Charges for Services and Recovered Costs. Expenditures show a positive budget variance, with actual expenditures totaling \$195 million compared to the budget of \$204 million. The primary source of this positive variance relates to unexpended transfers to other funds, which were encumbered as of June 30, but not yet expended. The funds will be carried over to the next fiscal year as part of the restricted fund balance and transferred subsequently. The remaining positive variance is seen in departmental spending and is attributable to personnel vacancies seen across numerous departments. While overall revenues exceeded budget, shortfalls in several revenue categories contributed to expenditures exceeding revenues by approximately \$630,000 for the fiscal year.

Current real estate tax revenue amounted to nearly \$27 million through June 30, which represents 101% of the FY 2026 budget. Delinquent real estate collections also met budgeted expectations, coming in at nearly 1.2 million (104%) realized for FY 2026. Current personal property tax collections also exceeded budget. Collections through June 30 amounted to \$18 million or 105% of budget. Collection of delinquent personal property totaled \$2 million

DANVILLE, VA

surpassing the budget of \$1.7 million. The continued use of our outside collection agency produced very good results in the collection of delinquent accounts.

Local taxes collected through June 30 were nearly \$60 million or 98% of budget and ahead of prior year-to-date collections of nearly \$55 million. Sales tax collections through June amounted to \$13.1 million or 93% of budget, a decrease of \$482,000 from last year, reflecting a decrease in retail sales. Meals taxes collected for the fiscal year amounted to \$13.8 million or 99% of budget, an increase of \$605,000 over the prior year. Business licenses realized at the end of June were almost \$8.1 million or 95% of budget, a decrease of \$304,000 from the prior year. Lodging taxes received as of June 30 were \$3.6 million, or 98% of budget, almost identical to the prior year, showing a slight increase of \$27,000. Casino revenue (direct payments only) realized through June 30 was \$17 million or 102% of budget.

Increases in interest rates produced a return on invested funds that exceeded the FY26 budget; however, the total for FY26 was less than the prior year. Revenue from Use of Money & Property as of June 30, 2026, was nearly \$4.2 million, compared to a budget of \$3 million.

Unaudited expenditures through June 30 were nearly \$195 million or 96% of budget. This is an overall increase of nearly \$24 million when compared to June 30, 2025. Departmental spending for the year was 94% of budget and shows an increase of \$8.5 million over the prior year. The increase in departmental spending is attributed to an increase in salaries and benefits along with an increase in motor vehicles and equipment for the police headquarters and an increase in worker's compensation claims. The remaining overall increase was a result of increased budgeted transfers to the Capital Improvement Fund of \$6.9 million to fund ongoing Economic Development projects along with other capital improvement projects throughout the City, an increase of \$4.8 million increase for transfers to Utility Funds to cover utility rate increases, and a budgeted increase of \$1.5 million for transfers to Danville Public Schools.

Non-departmental expenses, mostly comprised of debt service and employee benefits, increased approximately \$2.0 million over the prior year. This increase stems from increased utilization in group health insurance, amounting to an increase of \$2.2 million, along with an increase in debt service expenses, amounting to an increase of nearly \$500,000, offset by a decrease in transfers to the Retirement system of nearly \$682,000.

Total General Fund expenditures currently exceed revenues by \$629,604. Unassigned fund balance at June 30, 2026, is currently \$56,582,954 as compared to \$54,062,466 at June 30, 2025, an increase of \$2.5 million.

The Finance Department worked with Brown Edwards, our independent auditors, in June on preliminary FY 2026 audit work. The auditors will complete final fieldwork in September. As the Finance Department completes the year-end closeout process, we will keep you informed of our progress and any significant changes to the preliminary FY 2026 results.

CITY OF DANVILLE, VIRGINIA

GENERAL FUND REPORT

100% OF YEAR LAPSED AS OF JUNE 30, 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	\$ 49,918,175	103.54%		\$ (1,704,495)	\$ 44,835,005
Other Local Taxes	60,838,879	59,678,315	98.09%		1,160,564	54,665,038
License Permits & Privilege Fees	606,510	543,267	89.57%		63,243	481,957
Fines & Forfeitures	526,660	442,467	84.01%		84,193	259,230
Revenue From Use Money & Property	2,953,832	4,146,562	140.38%		(1,192,730)	5,279,062
Charges For Services	3,498,770	2,981,537	85.22%		517,233	2,962,058
Miscellaneous Revenue	25,100	100,377	399.91%		(75,277)	107,427
Recovered Cost	11,236,249	11,136,415	99.11%		99,834	10,680,170
Intergovernmental	48,360,022	49,303,652	101.95%		(943,630)	41,908,493
Transfers From Utilities	15,684,000	15,684,000	100.00%		-	15,588,000
TOTAL REVENUES	\$ 191,943,702	\$ 193,934,766	101.04%		\$ (1,991,064)	\$ 176,766,439
EXPENDITURES:						
General Government Administration	\$ 18,157,337	\$ 16,483,170	90.78%	\$ 673,929	\$ 1,000,238	\$ 14,998,511
Judicial Administration	10,172,824	9,549,971	93.88%	8,884	613,970	9,044,998
Public Safety	48,810,597	46,586,765	95.44%	457,774	1,766,057	42,168,594
Public Works	6,561,373	6,769,861	103.18%	59,773	(268,261)	5,583,963
Health, Education, Welfare & Soc. Svc.	11,815,722	10,822,504	91.59%	102,605	890,613	11,147,430
Parks, Recreation & Cultural	8,004,093	7,074,103	88.38%	73,000	856,990	6,590,545
Community Development	5,618,597	4,919,018	87.55%	136,037	563,542	4,166,738
Non-Departmental	16,551,429	18,998,396	114.78%	9,000	(2,455,967)	17,132,211
Education	34,383,070	34,383,070	100.00%	-	-	32,832,524
Transfer to Capital Projects	28,563,322	28,563,322	100.00%	-	(0)	24,599,574
Transfer to Other Funds	15,114,190	10,414,190	68.90%	4,700,000	(0)	2,713,650
TOTAL EXPENDITURES	\$ 203,752,555	\$ 194,564,370	95.49%	\$ 6,221,003	\$ 2,967,183	\$ 170,978,738
Revenue over(under) Expenditures	-	\$ (629,604)				\$ 5,787,701
FUND BALANCE:						
Beginning Fund Balance 07/01/2025		\$ 69,331,450				\$ 63,543,749
Revenue over(under) Expenditures		(629,604)				5,787,701
Ending Fund Balance 6/30/2026		\$ 68,701,846				\$ 69,331,450
Composition of Fund Balance:						
Reserved for Encumbrances/Designated Funds		\$ 12,118,892				\$ 15,268,984
Unassigned		56,582,954				54,062,466
TOTAL FUND BALANCE 6/30/2026		\$ 68,701,846				\$ 69,331,450

**CITY OF DANVILLE, VIRGINIA
GENERAL FUND
COMPOSITION OF FUND BALANCE
PRELIMINARY - AS OF JUNE 30, 2026**

Beginning Total Fund Balance, July 1, 2025	69,331,449.97
Add: General Fund Revenues	193,934,765.70
Deduct: General Fund Expenditures	<u>(194,564,369.91)</u>
Ending Total Fund Balance, June 30, 2026	<u><u>68,701,845.76</u></u>

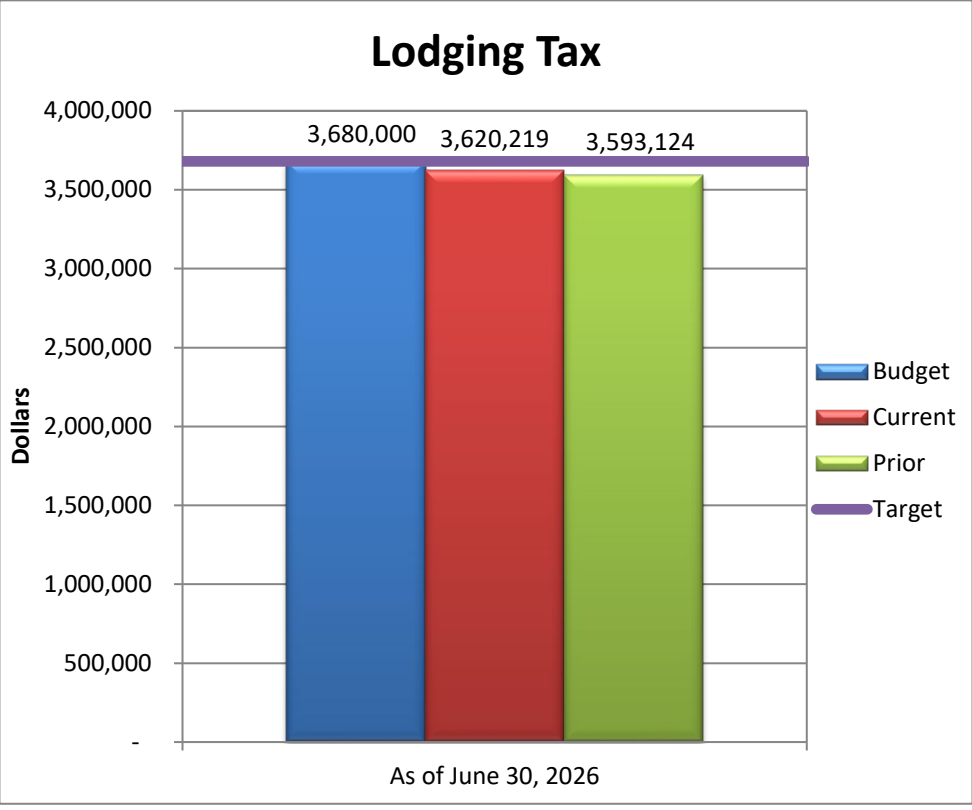
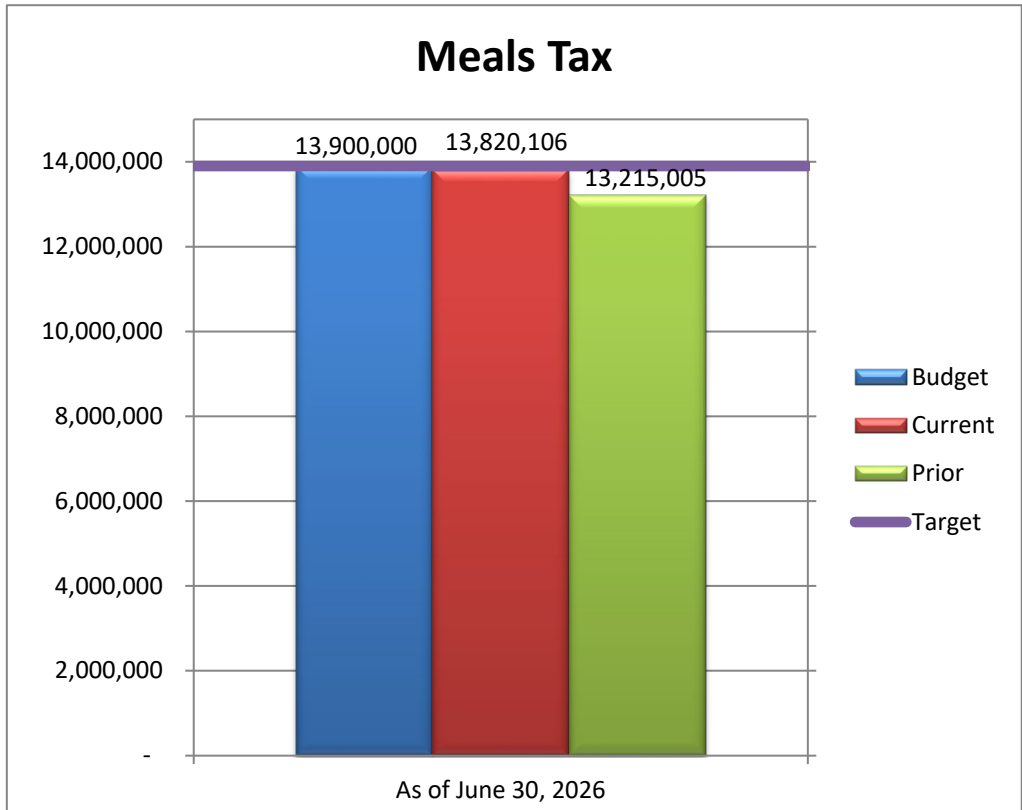
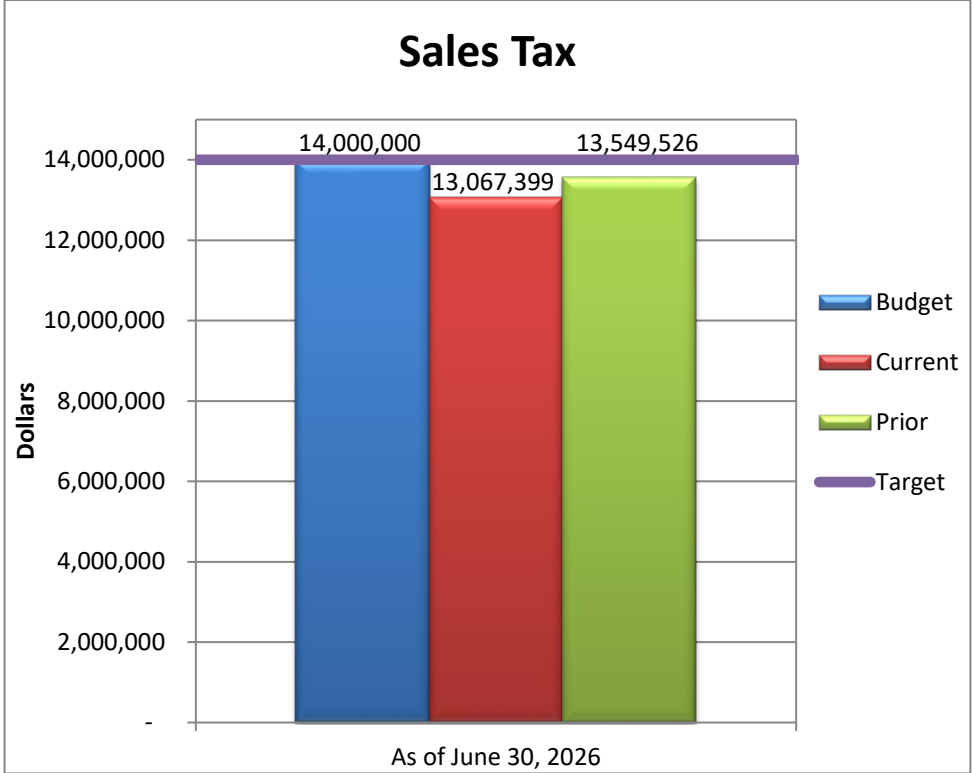
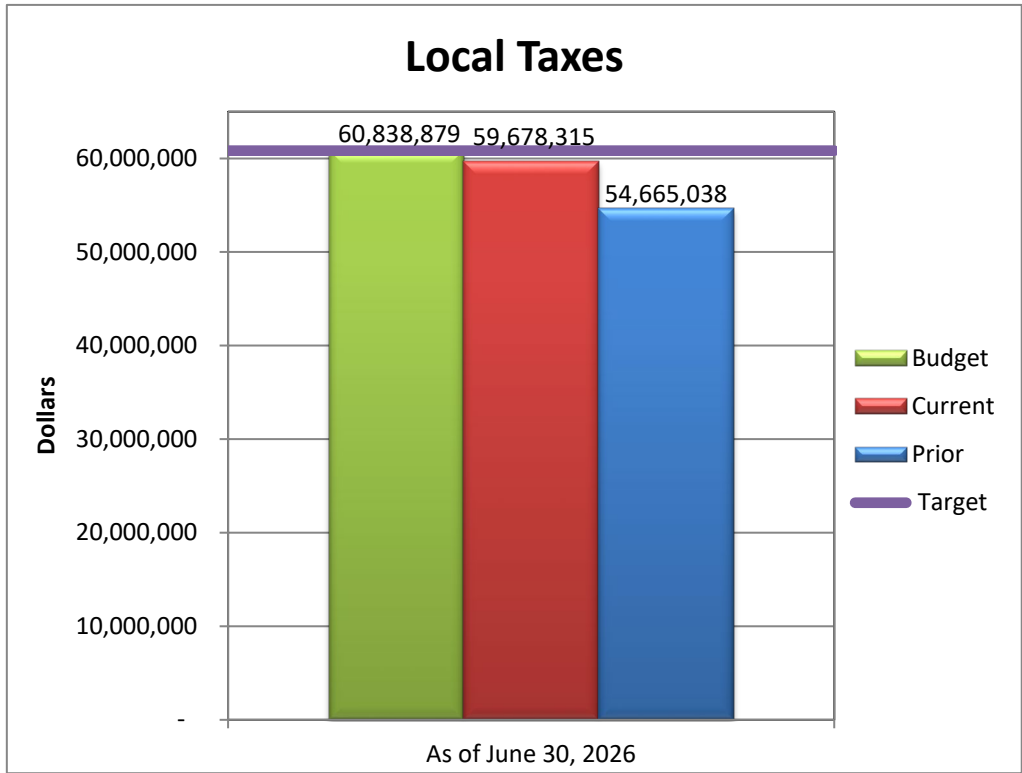
Composition of Fund Balance:

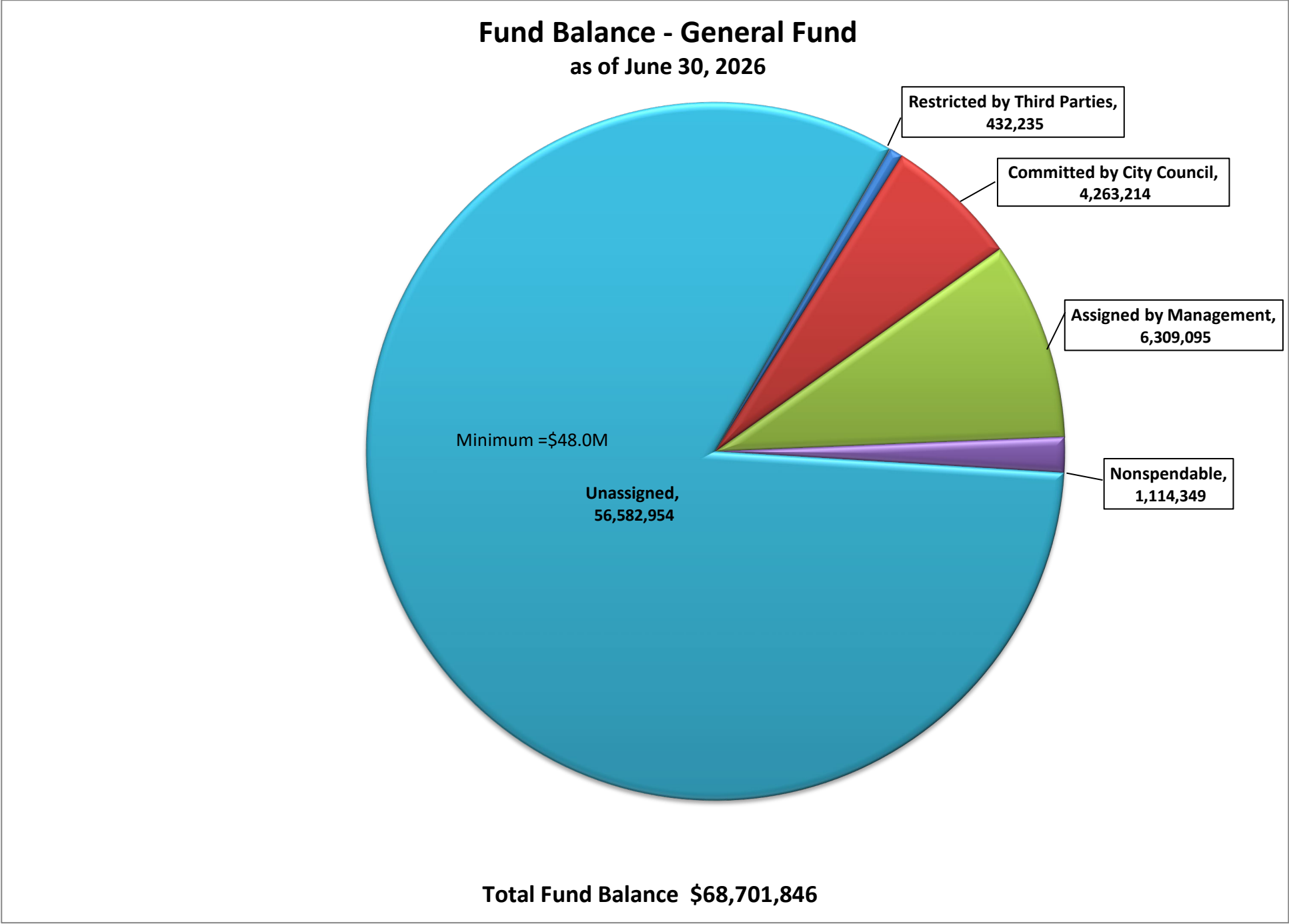
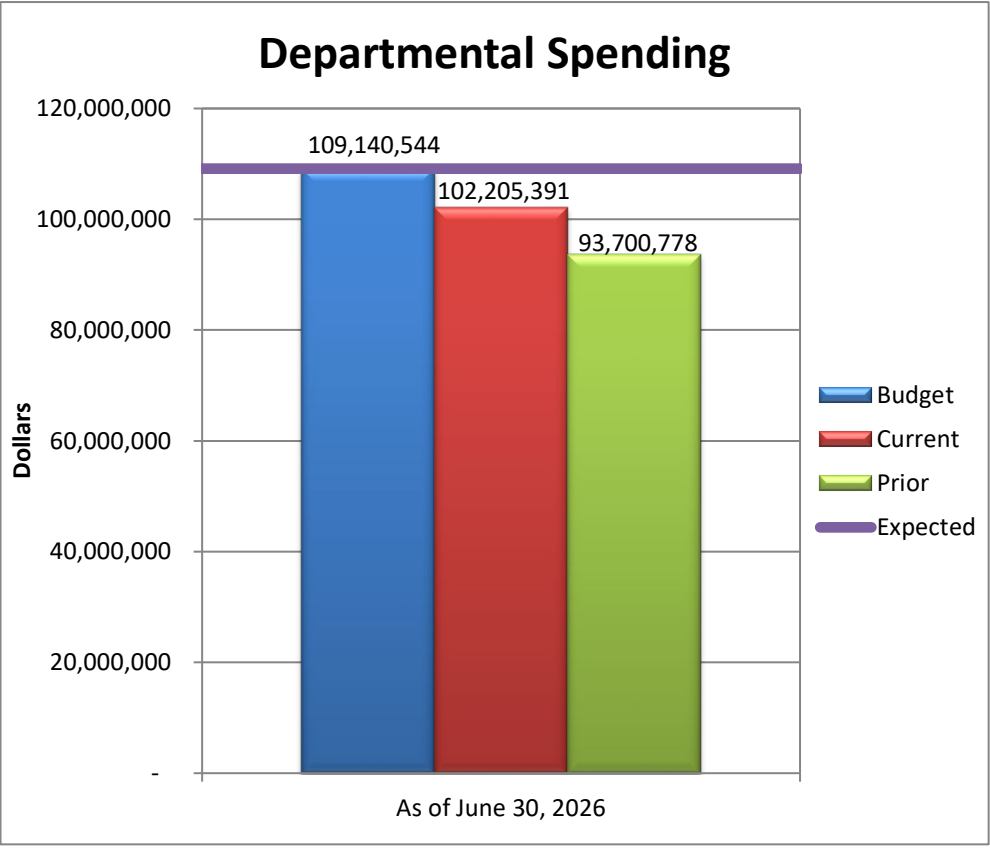
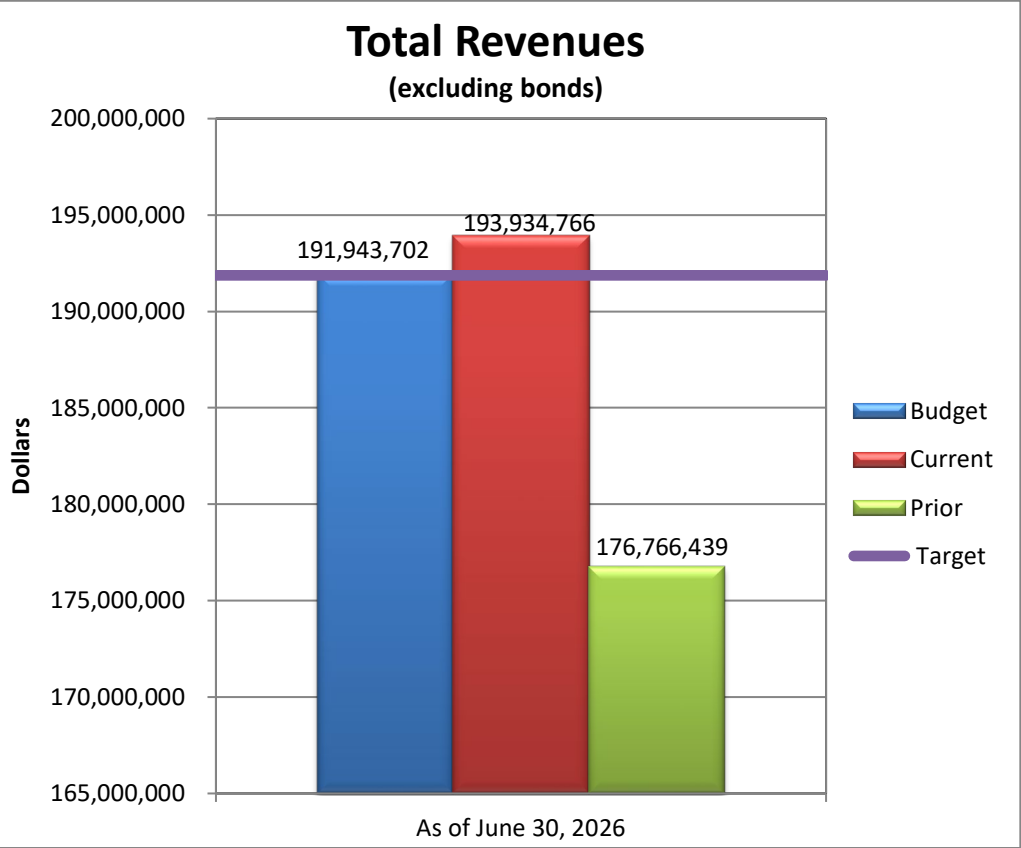
Restricted for Commonwealth Attorney	133,587.97
Restricted for Police Department	153,858.29
Restricted for Fire Department	144,788.35
Committed for Sheriff's Department	20,180.18
Committed to Schools	-
Committed to Capital Reserve	4,243,033.84
Assigned to Sheriff's Department	17,182.13
Assigned to Community Development	70,909.84
Assigned for Encumbrances	6,221,002.86
Assigned Casino Revenue	-
Nonspendable (Inventory and Prepaids)	1,114,348.58
UNASSIGNED	<u>56,582,953.72</u>
Total Fund Balance, June 30, 2026	<u><u>68,701,845.76</u></u>
	-

Unassigned fund balance from above	56,582,953.72
Unassigned Minimum per policy (25% of General Fund Operating Revenues) based on FY 2026 budget	<u>47,985,925.44</u>
Current surplus (deficit) over (under) minimum	8,597,028.28

City of Danville, Virginia
Summary of Other Local Tax Revenues - PRE-CLOSING - UNAUDITED
For the period ending June 30, 2026

Description	Current Budget	Revenue Realized	Percentage Realized	Prior Year Budget	Prior Year Realized	Percentage Prior Year
Sales Tax	\$ 14,000,000	\$ 13,067,399	93.34%	\$ 13,000,000	\$ 13,549,526	104.23%
Business Licenses	8,582,000	8,139,302	94.84%	7,642,000	8,443,009	110.48%
Meals Tax	13,900,000	13,820,106	99.43%	12,100,000	13,215,005	109.21%
Utility Taxes	930,000	940,899	101.17%	930,000	957,004	102.90%
Vehicle License Fees	1,000,000	1,025,184	102.52%	1,025,000	1,077,384	105.11%
Bank Stock Tax	1,100,000	927,171	84.29%	1,100,000	943,953	85.81%
Recordation Tax	370,000	509,970	137.83%	370,000	388,078	104.89%
Hotel Motel Tax	3,680,000	3,620,219	98.38%	3,525,000	3,593,124	101.93%
Daily Property Rental Tax	20,800	45,771	220.05%	20,800	28,617	137.58%
Motor Vehicle Tax	240,000	207,424	86.43%	240,000	224,571	93.57%
DMV Fees	275,000	253,290	92.11%	275,000	248,300	90.29%
Ceasars Min Fee	16,741,079	17,121,581	102.27%	11,939,823	11,996,467	100.47%
TOTAL	\$ 60,838,879	\$ 59,678,315	98.09%	\$ 52,167,623	\$ 54,665,038	104.79%





Council Letter City of Danville, Virginia



CL - 2883

NEW BUSINESS B.

City Council REGULAR MEETING

Meeting Date: August 18, 2026

Subject: Resolution of Official Intent to Reimburse Expenditures with Proceeds of a Borrowing.

From: Amy Chandler, Director of Finance

COUNCIL ACTION

A Resolution of the Council of the City of Danville, Virginia, Declaring Official Intent to Reimburse Expenditures with Proceeds of a Borrowing.

SUMMARY

The City's Fiscal Year 2027 Capital and Special Projects Plan, adopted by the City Council on June 16, 2026, includes the issuance of bonds to pay for several of the capital projects. If expenditures are incurred for these projects before the bonds are issued and proceeds are received, the attached Reimbursement Resolution will allow the use of bond proceeds as reimbursement. At a later date, City Council will be asked to take other formal actions to authorize and issue the bonds. This Resolution does not authorize the issuance of bonds or obligate the City in any way. Bonds are expected to be issued in late Fall 2026.

BACKGROUND

The Fiscal Year 2027 budget includes the issuance of bonds to cover the costs of several general and utility projects. Issuance of bonds is expected to occur in late Fall 2026 and will potentially fund the following approved capital projects:

Public Safety Equipment	\$1,257,000
Parks & Recreation Facilities	\$2,151,810
Public Building & Facilities	\$3,871,000
Public Streets	\$1,486,000
Airport Improvements	\$1,234,190
Sewer System Improvements	\$1,400,000
Wastewater Pumping Station	\$5,000,000
Water Mains	\$6,000,000
Electric Infrastructure Improvements	\$3,500,000

RECOMMENDATION

Staff recommends City Council adopt the attached Resolution of Official Intent to Reimburse Expenditures with Proceeds of a Borrowing.

Attachments

PRESENTED: _____

APPROVED: _____

RESOLUTION NO. 2026 - ____ . ____

A RESOLUTION OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA, DECLARING OFFICIAL INTENT TO REIMBURSE EXPENDITURES WITH PROCEEDS OF A BORROWING.

WHEREAS, the City of Danville, Virginia (the "City"), plans to plan, design, acquire, construct, extend, equip, renovate and/or improve several capital projects for governmental purposes, including without limitation, (a) parks and recreational facility improvements, (b) public safety improvements for the fire and police departments, (c) sewer system improvements for the wastewater system, (d) substation and system reliability infrastructure improvements for the electric system, (e) infrastructure improvements to the water system, and (f) public works improvements for streets, buildings and grounds (collectively, the "Projects"); and

WHEREAS, plans for the Projects have advanced, and the City expects to advance its own funds to pay expenditures related to the Projects (the "Expenditures") and to receive reimbursement for such Expenditures from proceeds of bonds or other debt obligations to be issued by or on behalf of the City (collectively, the "Bonds").

THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA THAT:

1. The City intends to issue, or request a conduit issuer to issue, Bonds of one or more series to pay the costs of the Projects in a principal amount not currently expected to exceed \$27,000,000.

2. The City intends that the proceeds of the Bonds be used to reimburse the City for Expenditures made on or after the date that is no more than 60 days prior to the date hereof. The City reasonably expects on the date hereof that it will reimburse the Expenditures with the proceeds of the Bonds.

3. Each Expenditure was or will be, unless otherwise approved by bond counsel, either (a) of a type properly chargeable to a capital account under general federal income tax principles (determined in each case as of the date of the Expenditure), (b) a cost of issuance with respect to the Bonds, (c) a nonrecurring item that is not customarily payable from current revenues or (d) a grant to a party that is not related to or an agent of the City so long as such grant does not impose any obligation or condition (directly or indirectly) to repay any amount to or for the benefit of the City.

4. The City intends to make a reimbursement allocation, which is a written allocation by the City that evidences the City's use of proceeds of the Bonds to reimburse an Expenditure, no later than 18 months after the later of the date on which the Expenditure is paid or the Projects is placed in service or abandoned, but in no event more than three years after the date on which the Expenditure is paid. The City recognizes that exceptions are available for certain "preliminary expenditures," costs of issuance, certain *de minimis* amounts, expenditures by "small issuers" (based on

the year of issuance and not the year of expenditure) and expenditures for construction of at least five years.

5. The City intends that the adoption of this Resolution confirms the “official intent” within the meaning of Treasury Regulations Section 1.150-2 promulgated under the Internal Revenue Code of 1986, as amended.

6. This Resolution shall take effect immediately upon its passage.

Adopted _____, 2026.

Approved:

Mayor

Attest:

City Clerk

Approved as to
Form and Legal Sufficiency:

Deputy City Attorney

Council Letter City of Danville, Virginia



CL - 2884

NEW BUSINESS C.

City Council REGULAR MEETING

Meeting Date: August 18, 2026

Subject: Resolution of Support for Piney Forest Road Project UPC 123202

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

COUNCIL ACTION

A Resolution of the Council of the City of Danville, Virginia, Expressing Continued Support for the Piney Forest Road Improvements Project.

SUMMARY

The attached resolution expresses continued support for the Piney Forest Road Improvements Project UPC 123202. The Virginia Department of Transportation has requested a resolution of support from the Council of the City of Danville to document the City's continued support for the project following the public hearing process.

BACKGROUND

The Piney Forest Road Improvements Project, UPC 123202, is being developed by the Virginia Department of Transportation (VDOT) in cooperation with the City of Danville. The project was submitted as a SMART SCALE funding application in July 2022 and was subsequently selected for funding. The purpose of the project is to improve traffic safety and traffic flow along Piney Forest Road between Nor Dan Drive and Beavers Mill Road.

VDOT conducted a public hearing on June 30, 2026, to present the proposed project, provide the public an opportunity to review the proposed design, and receive public comments. Following the public hearing, VDOT requested that the City Council adopt a resolution expressing its continued support for the project as it advances through the project development process.

RECOMMENDATION

Staff recommends that City Council adopt the attached Resolution of Support for the Piney Forest Road Improvements Project UPC 123202.

Attachments

1. Resolution
-

PRESENTED: _____

ADOPTED: _____

RESOLUTION NO. 2026-____ . ____

A RESOLUTION OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA, EXPRESSING CONTINUED SUPPORT FOR THE PINEY FOREST ROAD IMPROVEMENTS PROJECT.

WHEREAS, the Virginia Department of Transportation, in cooperation with the City of Danville, is developing construction plans and specifications for the Piney Forest Road Improvements Project UPC 123202; and

WHEREAS, the purpose of the Piney Forest Road Improvements Project is to improve traffic safety and traffic flow along Piney Forest Road between Nor Dan Drive and Beavers Mill Road; and

WHEREAS, the proposed project includes transportation improvements intended to reduce crashes, improve operational efficiency, and enhance the overall function of the corridor; and

WHEREAS, in accordance with applicable federal and state requirements, the Virginia Department of Transportation conducted a public hearing on June 30, 2026, to present the proposed project, provide the public an opportunity to review the proposed design, and receive public comments; and

WHEREAS, the Council recognizes the importance of public participation in the development of transportation projects and that the public was provided an opportunity to review and comment on the proposed project through the public hearing process; and

WHEREAS, the Virginia Department of Transportation has requested a resolution from the Council expressing its continued support for the project as it advances through the project development process.

NOW, THEREFORE, BE IT RESOLVED, that the Council of the City of Danville, Virginia, hereby expresses its continued support for the Piney Forest Road Improvements Project UPC 123202 and requests that the Virginia Department of Transportation continue advancing the project in accordance with all applicable federal and state requirements.

Approved:

Mayor

Attest:

Clerk

Approved as to
Form and Legal Sufficiency:

City Attorney

Council Letter City of Danville, Virginia



CL - 2885

NEW BUSINESS D.

City Council REGULAR MEETING

Meeting Date: August 18, 2026

Subject: Resolution of Support for State of Good Repair Project UPC 128926

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

COUNCIL ACTION

A Resolution of the Council of the City of Danville, Virginia, Supporting the West Main Street State of Good Repair Resurfacing Project and Authorizing the Use of Local Matching Funds.

SUMMARY

The attached resolution expresses support and authorizes the commitment of local matching funds for the West Main Street State of Good Repair Resurfacing Project UPC 128926 in accordance with the draft project agreement with the Virginia Department of Transportation.

BACKGROUND

The Virginia Department of Transportation (VDOT) is developing the West Main Street State of Good Repair (SGR) Resurfacing Project UPC 128926 to preserve and extend the service life of West Main Street, northbound, between the Virginia state line and Kimberly Avenue. A funding application was submitted in December 2025 and the funding request was partially awarded. To complete the project funding, local matching funds of \$212,064 are required to match \$300,462 of VDOT funds for a total project budget of \$512,526. VDOT has requested that the City Council adopt a resolution supporting the project and authorizing the commitment of the required local funds.

RECOMMENDATION

Staff recommends adoption of the attached resolution supporting the West Main Street State of Good Repair Resurfacing Project UPC 128926 and authorizing the commitment of the required local matching funds.

Attachments

1. Resolution
 2. UPC128926-Danville City-Draft Agreement
-

PRESENTED: _____

ADOPTED: _____

RESOLUTION NO. 2026-____ . ____

A RESOLUTION OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA, SUPPORTING THE WEST MAIN STREET STATE OF GOOD REPAIR RESURFACING PROJECT AND AUTHORIZING THE USE OF LOCAL MATCHING FUNDS.

WHEREAS, the Virginia Department of Transportation (VDOT) is developing the West Main Street State of Good Repair Resurfacing Project (UPC 128926) in cooperation with the City of Danville; and

WHEREAS, the purpose of the project is to preserve and extend the service life of West Main Street through pavement resurfacing and related improvements; and

WHEREAS, VDOT has requested that the City of Danville provide local matching funds necessary to complete the project funding; and

WHEREAS, the City Council finds that the project will preserve an important transportation asset and provide continued benefits to the traveling public.

NOW, THEREFORE, BE IT RESOLVED, that the Council of the City of Danville, Virginia, hereby expresses its support for the West Main Street State of Good Repair Resurfacing Project UPC 128926 and authorizes the commitment of the required local matching funds in accordance with the project agreement between the City of Danville and the Virginia Department of Transportation; and

BE IT FINALLY RESOLVED that the City Council of the City of Danville hereby grants authority to the City Manager to execute any necessary project documents on behalf of the City of Danville.

Approved:

Mayor

Attest:

Clerk

Approved as to
Form and Legal Sufficiency:

City Attorney

**VDOT ADMINISTERED
PROJECT ADMINISTRATION AGREEMENT**

Project Number	UPC	Local Government
7029-108-525	128926	City of Danville

THIS AGREEMENT, is hereby made and effective the date of the last (latest) signature set forth below, by and between the CITY OF DANVILLE, VIRGINIA, hereinafter referred to as the LOCALITY and the Commonwealth of Virginia, Department of Transportation, hereinafter referred to as the DEPARTMENT. The DEPARTMENT and the LOCALITY are collectively referred to as the “Parties.”

WITNESSETH

WHEREAS, the LOCALITY has expressed its desire to have the DEPARTMENT administer the work required to construct certain improvements within the Locality as described in Appendix C (the “Project”) and has agreed to fully or partially fund the Project as set forth in this Agreement; and

WHEREAS, the funds as shown in Appendix A have all been allocated to pay the costs of the Project; and

WHEREAS, the Parties have concurred with administering the Project in accordance with the program specific requirements shown in Appendix B, based on the allocated funding for the Project as shown in the Appendix A; and

WHEREAS, the LOCALITY has requested that the DEPARTMENT design and construct the Project in accordance with the scope of work described in Appendix C, and the DEPARTMENT has agreed to perform such work; and

WHEREAS, the Parties have concurred in the DEPARTMENT's administration of the Project identified in this Agreement, including Appendices A, B, and C, and in accordance with applicable federal, state, and local law and regulations; and

WHEREAS, the LOCALITY's governing body has, by resolution, which is attached hereto, authorized its designee to execute this Agreement and has demonstrated the LOCALITY'S commitment to providing local funding for the Project.

NOW THEREFORE, in consideration of the premises and mutual covenants and agreements contained herein, the parties hereto agree as follows:

- A. The representations, covenants, and recitations set forth in the foregoing recitals are material to this Agreement and are hereby incorporated into and made a part of this Agreement as though they were fully set forth in this Section A.
- B. The DEPARTMENT shall:

1. Complete the work of the Project as identified in Appendix C, advancing such diligently as all weather, local, and other conditions reasonably permit, and in conformance to the schedule established by the Parties, which schedule shall be adjusted as needed to address impacts to the performance of the work beyond the control of the DEPARTMENT.
2. Perform or have performed, and remit all payments for, all preliminary engineering (PE), right-of-way acquisition (Right of Way), construction, contract administration, and inspection services activities for the Project as required.
3. Provide the LOCALITY a payment schedule for the LOCALITY's share of estimated Project costs for PE, Right of Way, and construction, in accordance with the tabulation provided in Appendix A.
4. Remit invoices to the LOCALITY for sums owed by LOCALITY to the DEPARTMENT in accordance with the amounts and schedule set forth in Appendix A.
5. Provide the LOCALITY with a summary of Project expenditures.
6. Notify the LOCALITY of additional Project expenses resulting from unanticipated circumstances and provide detailed estimates of additional costs associated with those circumstances. The DEPARTMENT will make all efforts to contact the LOCALITY prior to performing activities associated with those unanticipated circumstances.
7. Upon completion of the Project, reconcile LOCALITY payments (based on LOCALITY's estimated share of costs) against actual Project costs allocable to the LOCALITY, and reimburse the LOCALITY for any overpayments by the LOCALITY or remit an invoice to LOCALITY for any underpayment or amounts still owed by the LOCALITY.

C. The LOCALITY shall:

1. Remit payments to the DEPARTMENT in accordance with the amounts and schedule provided in Appendix A, or within 30 days of receipt of an invoice issued by the DEPARTMENT, as applicable.
2. Provide, or have others provide, maintenance of the Project upon completion, unless otherwise agreed to by the DEPARTMENT. Where the Project results in physical construction, the LOCALITY will continue to operate and maintain the Project in accordance with the final constructed design as approved by the DEPARTMENT. The LOCALITY agrees that any modification of the approved design features, without the approval of the DEPARTMENT, may, at the discretion of the DEPARTMENT, result in

restitution either physically or monetarily as determined by the DEPARTMENT.

- D. Nothing in this Agreement shall obligate the Parties hereto to expend or provide any funds in excess of funds agreed upon in this Agreement or as shall have been included in an annual or other lawful appropriation. State and federal Project funding is limited to those identified in the Appendix A of this Agreement and is allocable only upon LOCALITY'S compliance with all requirements of this Agreement. In the event the cost of all or part of the Project is anticipated to exceed the allocation shown on Appendix A, the Parties agree to cooperate in seeking additional funding for the Project or to terminate the Project before Project costs exceed the allocated amount. Any requested increase in federal or state funding is subject to DEPARTMENT policy and procedures applicable to the funding source and is not guaranteed.
- E. The Parties mutually agree and acknowledge, in entering this Agreement, that the individuals acting on behalf of the Parties are acting within the scope of their official authority and capacity and the Parties agree that neither Party will bring a suit or assert a claim against any official, officer, or employee of either party, in their individual or personal capacity for a breach or violation of the terms of this Agreement or to otherwise enforce the terms and conditions of this Agreement. The foregoing notwithstanding, nothing in this subparagraph shall prevent the enforcement of the terms and conditions of this Agreement by or against either Party in a competent court of law.
- F. The Parties mutually agree that no provision of this Agreement shall create in the public, or in any person or entity other than the Parties, rights as a third party beneficiary hereunder, or authorize any person or entity, not a party hereto, to maintain any action for, without limitation, personal injury, property damage, breach of contract, or return of money, or property, deposit(s), cancellation or forfeiture of bonds, financial instruments, pursuant to the terms of this Agreement or otherwise. Notwithstanding any other provision of this Agreement to the contrary, unless otherwise provided, the Parties agree that the LOCALITY or the DEPARTMENT shall not be bound by any agreements between either party and other persons or entities concerning any matter which is the subject of this Agreement, unless and until the LOCALITY or the DEPARTMENT has, in writing, received a true copy of such agreement(s) and has affirmatively agreed, in writing, to be bound by such Agreement.
- G. Nothing in this Agreement shall be construed as a waiver of the LOCALITY's or the Commonwealth of Virginia's sovereign immunity.
- H. Should the project be cancelled due to action or inaction by the LOCALITY, the LOCALITY shall be responsible for reimbursement of all funds in accordance with § 33.2-214 of the Code of Virginia (1950), as amended. The LOCALITY will also be responsible for any costs associated with claims and liabilities associated with the early termination of any construction contract(s) or improvement(s) issued pursuant to this Agreement and shall promptly reimburse the DEPARTMENT for all costs

incurred or expended by it in connection with the Project.

- I. This Agreement may be terminated by either Party upon 60 days advance written notice to the other Party. Eligible expenses incurred through the date of termination shall be reimbursed to the DEPARTMENT within 60 days subject to the limitations established in this Agreement.
- J. THE LOCALITY and DEPARTMENT acknowledge and agree that this Agreement has been prepared jointly by the Parties and shall be construed simply and in accordance with its fair meaning and not strictly for or against any Party.
- K. THIS AGREEMENT, when properly executed, shall be binding upon both Parties, their successors and assigns.
- L. THIS AGREEMENT may be modified in writing only upon mutual agreement of the Parties.
- M. THIS AGREEMENT may be executed in multiple counterparts by digital or wet signature or a combination thereof. All counterparts together constitute one single, legally binding agreement. Electronic copies of this AGREEMENT, and scanned and transmitted signatures, including those sent as email attachments, shall be considered originals for the purposes of this AGREEMENT.

The remainder of this page is BLANK

IN WITNESS WHEREOF, each Party hereto has caused this Agreement to be executed by their duly authorized representatives, acknowledging and agreeing that any digital signature affixed hereto shall be considered as an original signature for all purposes and shall have the same force and effect as an original signature.

CITY OF DANVILLE, VIRGINIA:

Signature

Date

Title

NOTE: The official signing for the LOCALITY must attach a certified copy of his or her authority to execute this Agreement.

COMMONWEALTH OF VIRGINIA, DEPARTMENT OF TRANSPORTATION:

Signature

Date

Chief of Policy, Commonwealth of Virginia, Department of Transportation

Attachments

Appendix A

Appendix B

Appendix C

Appendix A - VDOT Administered

Version: Original

Prepared Date: 6/18/2026

Project Details

UPC: 128926	State Project #: 7029-108-525	ALN #: 20.205	Locality UEI #: WWFKQULH79W5
Locality: City of Danville		Address: 427 Patton St., Danville, VA 24543	
Work Description: #SGR27LP BUS RTE 29 NBL - PLANT MIX REHAB (13469) - (APPLICATION ID 13469) CORRECTIVE MAINTENANCE PLANT MIX MILL AND FILL ON BUS RTE 29 NORTH BOUND LANE (WEST MAIN STREET) IN THE CITY OF DANVILLE			Project Location (Zip +4) 24541-1215

Project Points of Contact

Locality Project Manager

Name: Brian Dunevant, P.E.
 Phone: 434-799-5019
 Email: dunevbl@ci.danville.va.us

VDOT Project Manager

Name: Kevin Chisnell
 Phone: 434-856-8113
 Email: kevin.chisnell@vdot.virginia.gov

Project Financing

Allocated Funds Type	Allocated Funds Amount	Local % Participation	Local Share Total
SGR	\$300,462	0%	\$0
Local Funds	\$212,064	100%	\$212,064
			\$0
			\$0
Funding Totals	\$512,526		\$212,064

Note - The funds order is not indicative of the actual spend order of funds on the project.

Project Estimate

Phase	Cost
Preliminary Engineering	\$ -
Right of Way and Utilities	\$ -
Construction	\$ 512,526
Total Estimate	\$ 512,526

Payment Schedule

FY27	Total Payment
\$ 212,064	\$ 212,064.00

Payment Terms

At construction advertisement, VDOT will invoice the LOCALITY for their share of the projects costs. The LOCALITY shall make one lump sum payment in the amount of \$212,064.00, to VDOT, no later than 30 days after receipt of VDOT's invoice, and no prior to the concurrence of any Construction work.

This Appendix A supersedes all previous versions signed by VDOT and the LOCALITY for the Project.

Authorized Locality Official

Date

Authorized VDOT Official

Date

Title of Locality Official

Title of VDOT Official

This attachment is certified and made an official attachment to this document by the Parties to this Agreement.

Appendix B – Special Funding Program Conditions and Requirements

Project Number	UPC	Local Government
7029-108-525	128926	7029-108-525

SMART SCALE

Administration of this Project, including but not limited to the Project estimate, schedule and commitment to funding, is subject to the requirements established in the Commonwealth Transportation Board's (CTB's) most current *Policy for Implementation of the SMART SCALE Project Prioritization Process*, the applicable requirements of the Code of Virginia, and VDOT's applicable *Instructional and Informational Memoranda*.

Without limiting the foregoing, this Project has been selected through the Smart Scale (HB2) application and selection process and will remain in the Six-Year Improvement Plan (SYIP) as a funding priority unless certain conditions set forth in the CTB's most current *Policy for Implementation of a Project Prioritization Process* arise. Pursuant to the CTB's *Policy for Implementation of a Project Prioritization Process*, this Project will be re-scored and/or the funding decision re-evaluated if any of the following conditions apply: a change in the scope, an estimate increase, or a reduction in the locally/regionally leveraged funds. Applications may not be submitted in a subsequent SMART SCALE prioritization cycle to account for a cost increase on a previously selected Project.

This Project shall be initiated and at least a portion of the Project's programmed funds expended within one year of the budgeted year of allocation or funding may be subject to reprogramming to other projects selected through the prioritization process. In the event the Project is not advanced to the next phase of construction when requested by the CTB, the LOCALITY or the localities within the metropolitan planning organization may be required, pursuant to § 33.2-214 of the Code of Virginia, to reimburse the DEPARTMENT for all state and federal funds expended on the Project.

Transportation Alternatives Program

This Project shall be administered in accordance with VDOT's most current *Transportation Alternatives Program Guide*.

Without limiting the foregoing, CTB policy for allocations from the Transportation Alternatives Programs requires that the Project must be advertised or otherwise under construction within four years of the initial Project allocation or otherwise be subject to deallocation, unless prior Department approval has been provided.

The DEPARTMENT shall conduct all environmental studies necessary to complete an environmental document in compliance with the National Environmental Policy Act, unless otherwise agreed to in writing and attached to this Agreement. The LOCALITY is responsible for implementing any environmental commitments resulting from the environmental studies. In addition, the LOCALITY is responsible for obtaining any water quality permits and conducting

any required hazardous materials due diligence efforts. VDOT's estimated cost for the environmental studies and submissions will be provided to the LOCALITY and deducted from the Project funds.

Regional Surface Transportation Program (RSTP)

Allocated Regional Surface Transportation Program funds must be obligated within 12 months of allocation and expended within 36 months of the obligation.

Congestion Mitigation Air Quality (CMAQ)

Allocated Congestion Mitigation and Air Quality Program funds must be obligated within 12 months of allocation and expended within 36 months of the obligation.

Revenue Sharing

This Project shall be administered in accordance with VDOT's most current *Revenue Sharing Program Guidelines*.

Without limiting the foregoing, the Project shall be initiated such that at least a portion of the Revenue Sharing Funds are expended within one year of allocation. For any project that has not been initiated within one year, the CTB has the discretion to defer consideration of future allocations until the Project moves forward. Further, if the Project has not been initiated within two fiscal years subsequent to the allocation of Revenue Sharing Funds, the Revenue Sharing Funds for the Project may be subject to deallocation from the Project at the discretion of the CTB.

State of Good Repair (SGR) Bridge

Project estimate, schedule, and commitment to funding are subject to the requirements established in the CTB's *State of Good Repair Program Prioritization Process Methodology*, the Code of Virginia, and VDOT's *Instructional and Informational Memoranda*.

Projects receiving funding under this program must initiate the Preliminary Engineering or the Construction Phase within 24 months of award of funding or become subject to deallocation. In the event the Project is not advanced to the next phase of construction, the LOCALITY may be required, pursuant to § 33.2-214 of the Code of Virginia, to reimburse the Department for all state and federal funds expended on the Project.

This Project has been selected through the State of Good Repair application and selection process and will remain in the SYIP as a funding priority. Pursuant to the CTB's *State of Good Repair Program Prioritization Process Methodology*, this Project will be re-scored and/or the funding decision re-evaluated if any of the following conditions apply: a change in the scope, an estimate increase, or a reduction in the locally/regionally leveraged funds. Applications may not be submitted in a subsequent annual State of Good Repair prioritization cycle for the same bridge structure to account for a cost increase on a previously selected Project.

State of Good Repair (SGR) Paving

Project estimate, schedule, and commitment to funding are subject to the requirements established in the CTB's *State of Good Repair Program Prioritization Process Methodology*, the Code of Virginia, and VDOT's *Instructional and Informational Memoranda*.

Projects receiving funding under this program must be advertised within twelve months of award funding or be subject to deallocation. In the event the Project is not advanced to the next phase of construction, the LOCALITY may be required, pursuant to § 33.2-214 of the Code of Virginia, to reimburse the Department for all state and federal funds expended on the Project.

This Project has been selected through the State of Good Repair application and selection process and will remain in the SYIP as a funding priority. Pursuant to the CTB's State of Good Repair Program Prioritization Process Methodology, this Project will be re-scored and/or the funding decision re-evaluated if any of the following conditions apply: a change in the scope, an estimate increase, or a reduction in the locally/regionally leveraged funds. Applications may not be submitted in a subsequent annual State of Good Repair prioritization cycle for the same roadway segment to account for a cost increase on a previously selected Project.

Economic Access

This Project shall be administered in accordance with VDOT's most current *Economic Development Access Program Guide*.

Airport Access

This Project shall be administered in accordance with VDOT's most current *Airport Access Program Guide*.

Recreational Access

This Project shall be administered in accordance with VDOT's most current *Recreational Access Program Guide*.

Highway Safety Improvement Program (HSIP)

Allocated Highway Safety Improvement Program (HSIP) funds must be obligated within 12 months of allocation and expended within 36 months of the obligation.

Local Funds

All local funds included in Appendix A have been formally committed by the LOCALITY board or council, subject to appropriation.

Authorized Locality Official Signature and Date

VDOT Administered Projects
Appendix C – Detailed Scope of Services

Project Number	UPC	Local Government
7029-108-525	128926	City of Danville

Detailed Project Scope of Services

Scope of Services by VDOT for the SGR Paving project herein agreed upon includes:

- Compilation of final plans, specifications and estimate
- Compilation of the bid proposal package
- Complete necessary work to ensure ADA compliance
- Bid proposal biddability review
- Administration and advertisement of the proposal
- Administration of bidder questions
- Receipt of bids
- Administration of Contract award
- Administration and oversight of construction
- Construction engineering services • Construction project close-out

Authorized Locality Official Signature and Date

Authorized VDOT Official Signature and Date

Title of Locality Official

Title of VDOT Official

Council Letter City of Danville, Virginia



CL - 2864

NEW BUSINESS E.

City Council REGULAR MEETING

Meeting Date: August 18, 2026

Subject: Amending and Establishing Rental Fees for Airport Facilities.

From: Marc Adelman, Director of Transportation Services

COUNCIL ACTION

1. Public Hearing
2. An Ordinance of the Council of the City of Danville, Virginia Amending and Establishing Monthly Rental Fees for a New Hangar Located at the Danville Regional Airport Effective August 17, 2026.

SUMMARY

A new corporate hangar will be available for rent at the Danville Regional Airport by the end of August 2026. The new hangar is 80' x 80' and is located adjacent to the terminal ramp and the new Aviation Training Facility building that is presently under construction. The Danville Airport Commission recommended that the monthly rental fee for the new hangar should be \$1973.33 or \$23,680 per year.

BACKGROUND

Local and federal funding was appropriated during Fiscal Year 26 to construct an 80' x 80' hangar. This hangar is located adjacent to the terminal ramp on the north side of the airfield and located adjacent to the new aviation training facility building that is under construction.

The proposed rental fee is based on the rental cost per square foot for a 60' x 54' hangar that was constructed in 2023 and is justified by both the facility's recent construction and prevailing market conditions at comparable regional airports.

While the proposed rate is higher than Danville's older existing hangars, it remains well below the rates charged for new corporate hangars at Martinsville (\$4,500/month) and is generally consistent with rates for comparable facilities in the region when considering size, age, and market demand.

The hangar was constructed with approximately 95% grant funding, allowing the City to offer a competitive rate while still recovering its local investment in roughly one year.

The proposed tenant, Averett University's aviation program, has agreed to the rate, further demonstrating that the rental amount reflects a reasonable market value for a newly constructed aviation facility.

RECOMMENDATION

It is recommended that City Council approve the attached ordinance that amends and establishes monthly rental fees for a new hangar located at the Danville Regional Airport.

Attachments

1. Ordinance
-

PRESENTED: _____

ADOPTED: _____

ORDINANCE NO. 2026-_____ . _____

AN ORDINANCE OF THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA AMENDING AND ESTABLISHING MONTHLY RENTAL FEES FOR A NEW HANGAR LOCATED AT THE DANVILLE REGIONAL AIRPORT EFFECTIVE AUGUST 17, 2026.

NOW THEREFORE, BE IT ORDAINED by the Council of the City of Danville, Virginia that on and after August 17, 2026, respectively, the charges for renting a new 80' x 80' hangar at the Danville Regional Airport be authorized and approved as follows:

CONFERENCE ROOM RENTAL FEES	CURRENT	PROPOSED
Two hour minimum	\$50.00	
Each additional hour	\$25.00	
Five hours or more	\$125.00	

Food and beverage clean up fee	\$25.00
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HANGAR RENTAL FEES	CURRENT PER MONTH	PROPOSED
New 80' x 80' Corporate Hangar	N/A	\$1973.33
80' x 80' Corporate Hangar	\$1,248.00	
65' x 60' Corporate Hangar	\$888.00	
60' x 54' Corporate Hangar	\$1,000.00	
55' x 51' Clear Span Hangar	\$505.00	
T-hangars (new units)	\$210.00	
T-hangars (older units)	\$125.00	
Tie-downs	\$40.00	

CLOSED RUNWAY RENTAL FEE	CURRENT	PROPOSED
\$400 per day (non-aviation related)	\$400.00	
\$250 per day (aviation related)	\$250.00	

AND BE IT FINALLY ORDAINED that all other charges, not hereby amended,
shall continue in full force and effect unless and until hereafter amended or repealed.

Approved:

Mayor

Attest:

Clerk

Approved as to
Form and Legal Sufficiency:

City Attorney