



DANVILLE CITY COUNCIL WORK SESSION AGENDA

MUNICIPAL BUILDING

September 15, 2020

7:30 P.M.

MEETING CALLED TO ORDER

WORK SESSION ITEMS

- A. Review of General Fund Financials through August 31, 2020.
Council Letter Number CL - 2384.

- B. Consideration of Approving Resolutions in Support of Proposed Smart Scale Transportation Projects.
Council Letter Number CL - 2359.

- C. Consideration of Approving and Authorizing a Cable Franchise Agreement with Verizon.
Council Letter Number CL - 2389.

- D. Review of Request for Proposal for a Police Station.
Council Letter Number CL - 2403.

PROGRAM UPDATE

COMMUNICATIONS FROM

- A. City Manager

- B. Deputy City Manager

- C. City Attorney

D. City Clerk

E. Roll Call

ADJOURNMENT

Council Letter
City of Danville, Virginia



CL-2384

Work Session A.

Work Session Meeting

Meeting Date: 09/15/2020

Subject: General Fund Financial Results as of August 31, 2020

From: Michael Adkins, Director of Finance

COUNCIL ACTION

Work Session: 09/15/2020

SUMMARY

A brief report will be given on the General Fund financial results through August 31, 2020. Financial statements are included.

Attachments

Financial Statements



To: Ken F. Larking, City Manager

From: Michael L. Adkins, Director of Finance

Date: September 4, 2020

Subject: Summary of Preliminary General Fund Financial Results for August 31, 2020

After completing the first two months of the new fiscal year, revenues are comparable to the previous year. As of August 31, General Fund revenues were \$12,653,019. This represents 10.7% of our FY 2021 budget. Last year, at this time, we had collected \$13,443,800, or 11.3% of budget. Decreases are seen in Charges for Services related to the absence of Parks & Recreation programs normally occurring in July and August. The related expenses were also avoided. In addition, the timing of revenues from the Commonwealth resulted in a temporary decrease in Categorical Aid (State).

We continue to see steady performance in the collection of delinquent real estate taxes this year with \$254,019 realized in the first two months of this fiscal year. This accounts for 25.4% of the current year budget. Tax bills for FY 2021 will be mailed in November and we will begin realizing collection of current real estate and personal property taxes at that time. Local taxes collected through August 31, were \$3,883,681, or 13.8% of budget. This exceeds FY 2020 collections by \$53,203. Sales tax collections through August amounted to \$1,663,892, or 18.2% of budget, an increase of \$176,768 from last year. Meals taxes collected for the first two months of the fiscal year amounted to \$1,363,065 or 15.8% of budget, a decrease of \$28,618 from last year. Business Licenses realized at the end of August were \$276,342, a decrease of \$90,810 from the prior year. Lodging taxes received as of August 31, were \$240,039, or 15% of budget, an increase of \$15,820 from the prior year. Local consumer taxes are still showing some effects of the COVID-19 pandemic. Nearly all other revenue categories are at or near the prior year and are tracking well with budget at this point.

Expenditures at August 31 were \$20,868,245 or 17.8% of budget. This is an increase of \$156,201 compared to August 31, 2019, primarily resulting from the timing of budgeted transfers to Danville City Schools and the Capital Projects Fund. Departmental expenditures at the end of August show a decrease of about \$733,000 from last year with a small increase in general government attributed to the timing of expenditures offset by a decrease in public safety and essentially all other departments. The most significant decrease is attributed to expending one month of public safety salaries to CARES Act funding. Fund expenditures exceeded revenues by \$8,215,226. This is typical for the start of the fiscal year in the General Fund because the timing of the revenue recognition is not matched to expenditures. At this point, the General Fund is performing as expected.

CITY OF DANVILLE, VIRGINIA

GENERAL FUND REPORT

17% OF YEAR LAPSED AS OF AUGUST 31, 2020

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	\$ 34,515,700	\$ 1,581,392	4.58%		\$ 32,934,308	\$ 1,553,663
Other Local Taxes	28,117,000	3,883,681	13.81%		24,233,319	3,830,478
License Permits & Privilege Fees	258,350	35,112	13.59%		223,238	57,574
Fines & Forfeitures	345,550	42,659	12.35%		302,891	68,403
Revenue From Use Money & Property	1,158,590	117,657	10.16%		1,040,933	164,582
Charges For Services	3,393,360	380,622	11.22%		3,012,738	625,618
Miscellaneous Revenue	130,523	53,317	40.85%		77,206	41,005
Recovered Cost	7,960,250	1,032,676	12.97%		6,927,574	1,030,423
Non-Categorical Aid	5,868,720	1,220,248	20.79%		4,648,472	1,228,518
Shared Expenses (Categ. Aid State)	5,174,940	788,155	15.23%		4,386,785	757,295
Categorical Aid (State)	9,328,810	958,668	10.28%		8,370,142	1,527,408
Emergency Services (Federal)	27,020	-	0.00%		27,020	-
Categorical Aid (Federal)	69,000	-	0.00%		69,000	-
Transfers From Utilities	15,353,000	2,558,833	16.67%		12,794,167	2,558,833
Transfers From Other	-	-			-	-
TOTAL REVENUES	\$ 111,700,813	\$ 12,653,019	11.33%		\$ 99,047,793	\$ 13,443,800
EXPENDITURES:						
General Government Administration	\$ 11,089,670	\$ 2,592,402	23.38%	\$ 373,671	\$ 8,123,598	\$ 2,434,200
Judicial Administration	7,205,758	1,157,365	16.06%	16,868	6,031,525	1,187,834
Public Safety	31,159,686	4,343,232	13.94%	247,846	26,568,608	4,855,816
Public Works	4,436,941	563,821	12.71%	297,061	3,576,058	711,544
Health, Education, Welfare & Soc. Svc.	8,971,175	982,173	10.95%	68,705	7,920,298	1,087,635
Parks, Recreation & Cultural	5,227,943	620,035	11.86%	59,482	4,548,426	756,484
Community Development	2,180,267	279,921	12.84%	190,969	1,709,376	239,321
Non-Departmental	12,352,595	1,882,024	15.24%	-	10,470,571	1,685,499
Transfer to Schools - Operating	26,738,177	6,333,430	23.69%	1,426,907	18,977,840	7,589,311
Transfer to Capital Projects	3,655,040	-	0.00%	-	3,655,040	-
Transfer to Other Funds	4,552,690	2,113,843	46.43%	-	2,438,847	164,401
TOTAL EXPENDITURES	\$ 117,569,942	\$ 20,868,245	17.75%	\$ 2,681,509	\$ 94,020,187	\$ 20,712,044
Revenue over(under) Expenditures	\$ (8,215,226)					\$ (7,268,244)
FUND BALANCE:						
Beginning Fund Balance 07/01/2020		\$ 43,308,777				\$ 39,927,182
Revenue over(under) Expenditures		(8,215,226)				(7,268,244)
Ending Fund Balance 08/31/2019		\$ 35,093,551				\$ 32,658,938
Composition of Fund Balance:						
Reserved for Encumbrances/Designated Funds		\$ 12,528,563				\$ 10,133,197
Unassigned		22,564,988				22,525,741
TOTAL FUND BALANCE 08/31/2020		\$ 35,093,551				\$ 32,658,938

City of Danville, Virginia
Summary of Other Local Tax Revenues - PRE-CLOSING - UNAUDITED
For the period ending August 31, 2020

Description	Current Budget	Revenue Realized	Percentage Realized	Prior Year Budget	Prior Year Realized	Percentage Prior Year
Sales Tax	\$ 9,150,000	\$ 1,663,892	18.18%	\$ 9,150,000	\$ 1,487,124	16.25%
Business Licenses	5,250,000	276,342	5.26%	5,200,000	367,152	7.06%
Meals Tax	8,645,000	1,363,065	15.77%	8,400,000	1,391,684	16.57%
Utility Taxes	967,000	157,151	16.25%	975,000	160,123	16.42%
Vehicle License Fees	990,000	76,546	7.73%	990,000	79,143	7.99%
Bank Stock Tax	900,000	-	0.00%	900,000	37,860	4.21%
Recordation Tax	180,000	55,259	30.70%	195,000	29,919	15.34%
Hotel Motel Tax	1,600,000	240,039	15.00%	1,514,250	224,219	14.81%
Daily Property Rental Tax	15,000	2,518	16.79%	18,400	3,578	19.45%
Motor Vehicle Tax	175,000	29,782	17.02%	150,000	27,199	18.13%
DMV Fees	245,000	19,086	7.79%	220,000	22,477	10.22%
TOTAL	\$ 28,117,000	\$ 3,883,681	13.81%	\$ 27,712,650	\$ 3,830,478	13.82%

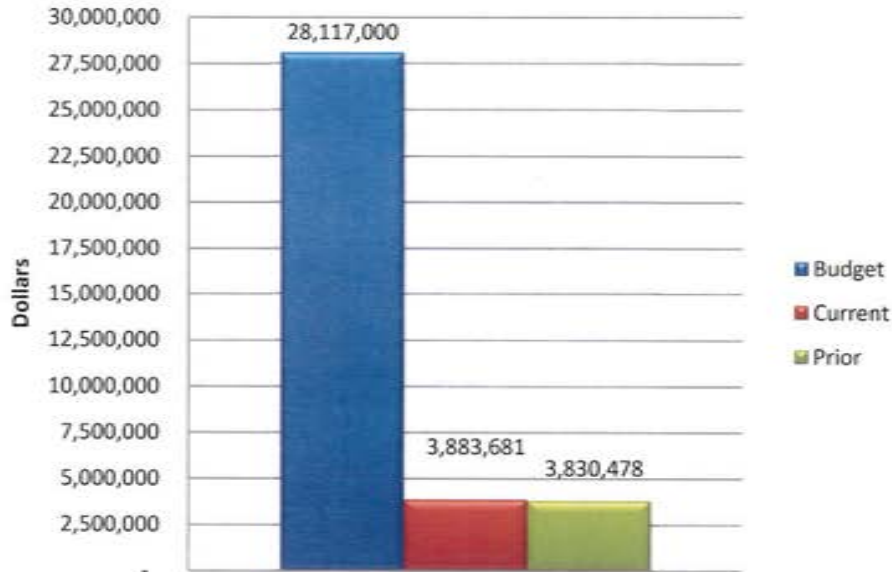
**CITY OF DANVILLE, VIRGINIA
GENERAL FUND
COMPOSITION OF FUND BALANCE
PRELIMINARY - AS OF AUGUST 31, 2020**

Beginning Total Fund Balance, July 1, 2020	43,308,777.48
Add: General Fund Revenues	12,653,019.42
Deduct: General Fund Expenditures	<u>(20,868,245.46)</u>
Ending Total Fund Balance, August 31, 2020	<u><u>35,093,551.44</u></u>

<u>Composition of Fund Balance:</u>	
Restricted for Commonwealth Attorney	108,985.76
Restricted for Police Department	47,299.98
Restricted for Fire Department	96,319.34
Committed for Sheriff's Department	240.92
Committed to Schools	3,814,751.71
Committed to Budget Stabilization	3,000,000.00
Committed transfer of Fund Balance FY2021	2,296,660.00
Assigned to Sheriff's Department	18,182.85
Assigned to Community Development	6,368.58
Assigned for Encumbrances	2,681,509.11
Nonspendable (Inventory and Prepaids)	458,244.87
UNASSIGNED	<u>22,564,988.32</u>
Total Fund Balance, August 31, 2020	<u><u>35,093,551.44</u></u>

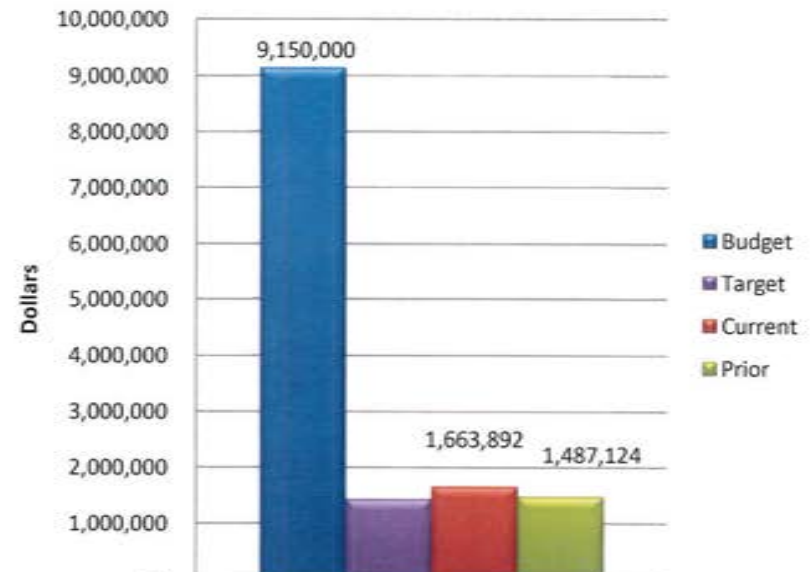
Unassigned fund balance from above	22,564,988.32
Unassigned Minimum per policy (20% of General Fund Operating Revenues) based on FY 2021 budget	<u>21,880,830.58</u>
Current surplus (deficit) over (under) minimum	684,157.74

Local Taxes



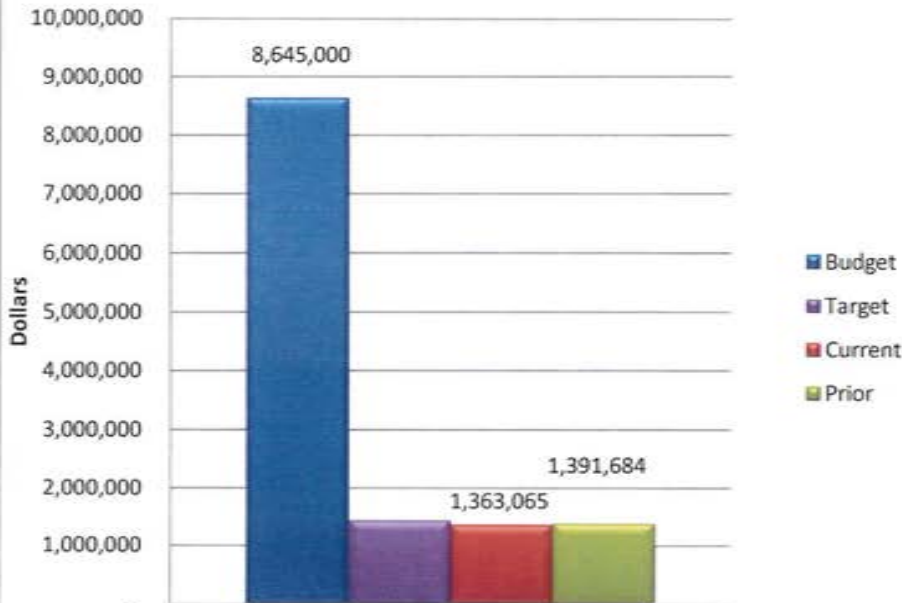
As of August 31, 2020

Sales Tax



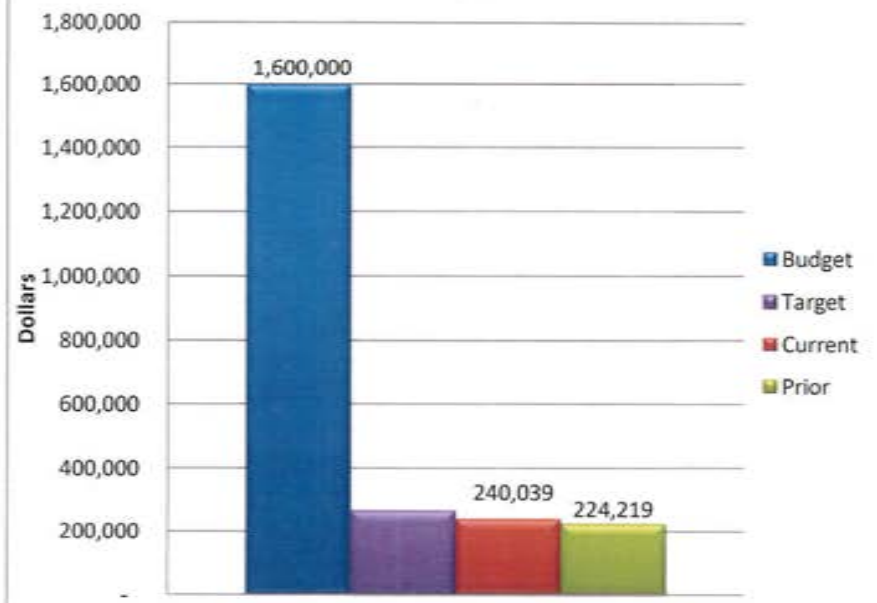
As of August 31, 2020

Meals Tax

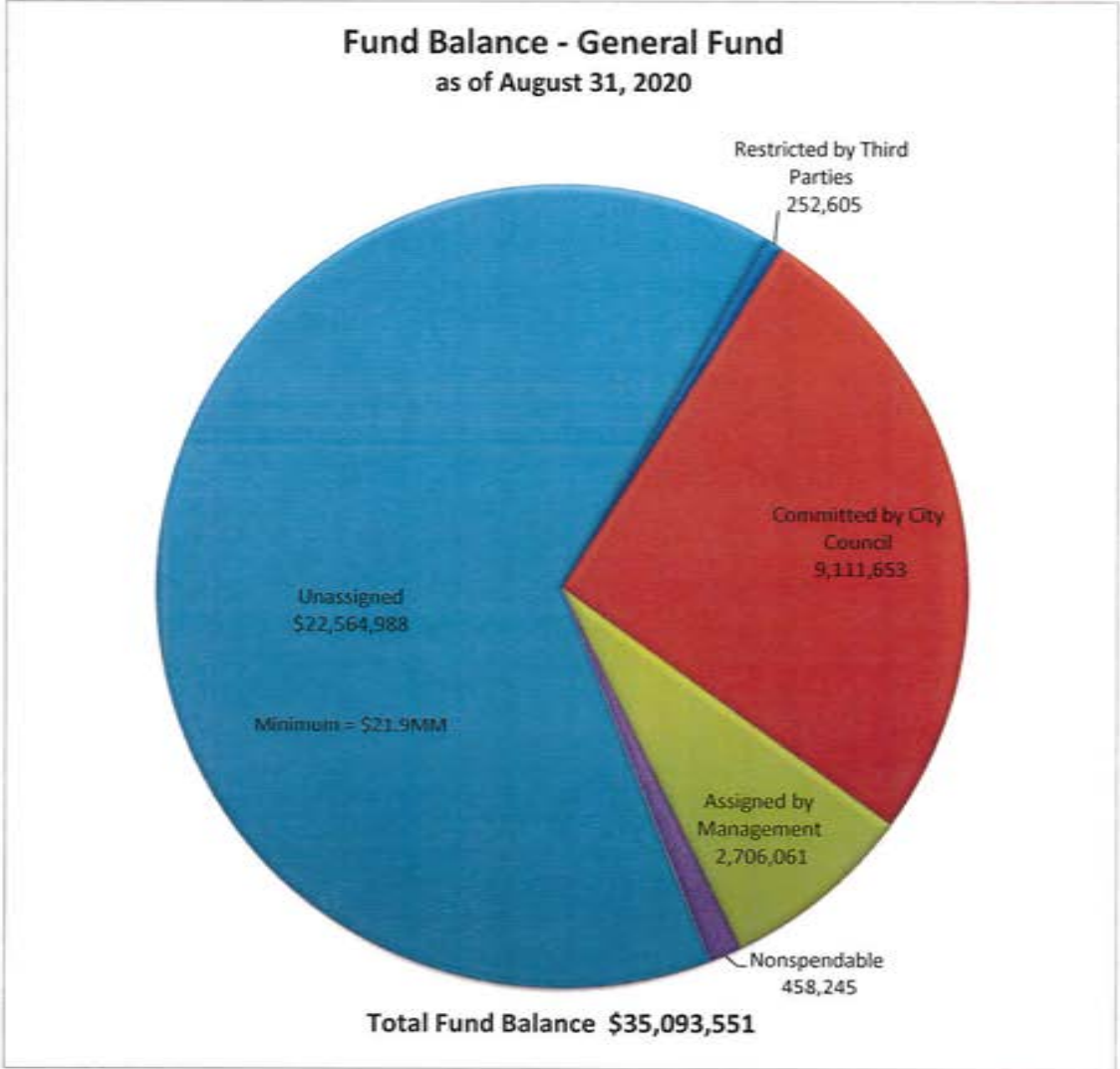
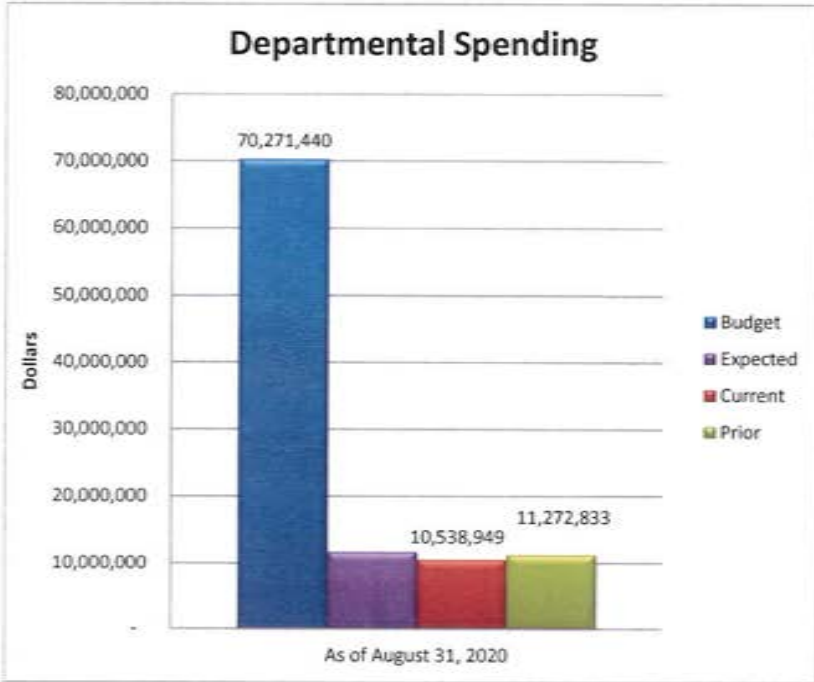
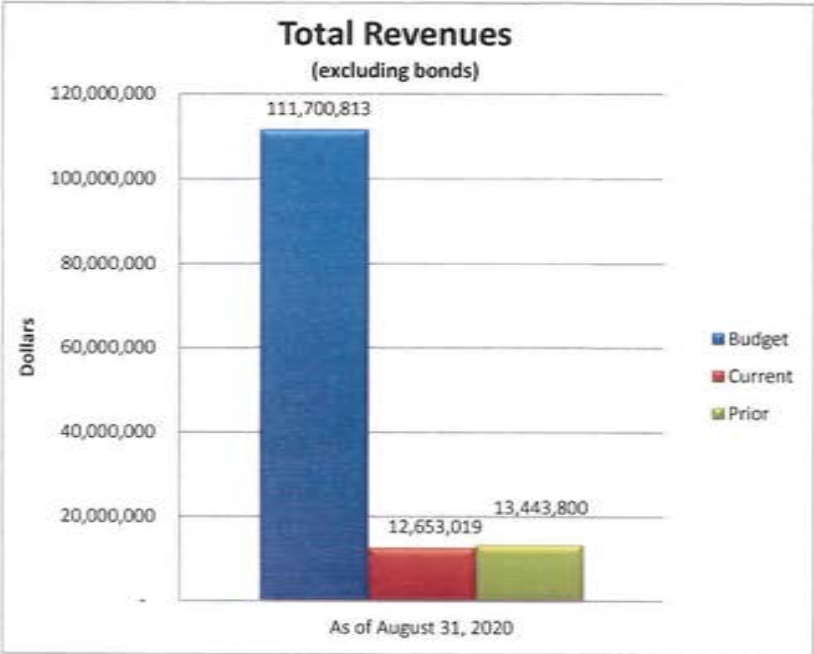


As of August 31, 2020

Lodging Tax



As of August 31, 2020



Council Letter

City of Danville, Virginia



CL-2359

Work Session B.

Work Session Meeting

Meeting Date: 09/15/2020

Subject: Virginia Department of Transportation - Smart Scale Project Application Endorsements

From: Brian Dunevant, Assistant Public Works Director & City Engineer

COUNCIL ACTION

Work Session: 09/15/2020

SUMMARY

The City of Danville has submitted four Smart Scale applications to the Virginia Department of Transportation for transportation projects within the City of Danville. The Danville Metropolitan Planning Organization has submitted one Smart Scale application to the Virginia Department of Transportation for a transportation project to be located within the City of Danville. Each application requires a resolution of support from Danville City Council. The proposed projects are as follows:

- Danville: Piedmont Drive Pedestrian Accessibility Improvements
- Danville: Riverside Drive Improvements - Arnett Boulevard to Main Street
- Danville: Riverside Drive Improvements - Piney Forest Road to Audubon Drive
- Danville: Riverside Drive Improvements - Park Avenue to Westover Drive
- Danville Metropolitan Planning Organization: Mount Cross Road Roundabout

BACKGROUND

Smart Scale is a statewide program that distributes transportation funding based on a transparent and objective evaluation of projects that will determine how effectively they help the State of Virginia achieve its transportation goals. Smart Scale project applications are scored by the Virginia Department of Transportation based on scoring criteria established for the region in which the proposed project is located. Based on scoring and available funding, projects are then recommended to the Commonwealth Transportation Board. It is expected that the Commonwealth Transportation Board will formally vote to award project funding in June 2021. Projects that are not awarded funding can be resubmitted under a future application. It is anticipated that any projects awarded funding in June 2021 will be able to access preliminary engineering funds in Fiscal Year 2026. Projects are then expected to be developed and constructed based on an approved schedule.

RECOMMENDATION

It is recommended the City Council consider approving the attached resolutions of support for the proposed transportation projects.

Attachments

- Resolution
 - Resolution
 - Resolution
 - Resolution
 - Resolution
-

PRESENTED: _____

ADOPTED: _____

RESOLUTION NO. 2020 - _____._____

A RESOLUTION ENDORSING A SMART SCALE APPLICATION BY THE CITY OF DANVILLE TO THE VIRGINIA DEPARTMENT OF TRANSPORTATION FOR THE PROPOSED CONSTRUCTION OF PIEDMONT DRIVE PEDESTRIAN ACCESSIBILITY IMPROVEMENTS.

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

WHEREAS, the City of Danville desires to submit an application for the construction of pedestrian improvements along Piedmont Drive and other adjacent roadways; and

WHEREAS, the purpose of the project is to improve pedestrian accessibility and improve pedestrian safety; and

WHEREAS, a resolution of support from the local governing body is required to be submitted with the application.

NOW THEREFORE, BE IT RESOLVED, that the City Council of the City of Danville, Virginia, does hereby endorse the Smart Scale Application for the construction of improvements along Piedmont Drive, and other adjacent roadways, to improve pedestrian accessibility; and

BE IT FURTHER RESOLVED, that the City Manager, Kenneth F. Larking, be, and is hereby, authorized to execute the application and any and all other paperwork necessary to effect the above referenced transaction.

APPROVED:

MAYOR

ATTEST:

CLERK

Approved as to
Form and Legal Sufficiency:

CITY ATTORNEY

PRESENTED: _____

ADOPTED: _____

RESOLUTION NO. 2020 - _____._____

A RESOLUTION ENDORSING A SMART SCALE APPLICATION BY THE CITY OF DANVILLE TO THE VIRGINIA DEPARTMENT OF TRANSPORTATION FOR THE PROPOSED CONSTRUCTION OF RIVERSIDE DRIVE IMPROVEMENTS FROM ARNETT BOULEVARD TO MAIN STREET.

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

WHEREAS, the City of Danville desires to submit an application for the construction of Riverside Drive Improvements from Arnett Boulevard to Main Street; and

WHEREAS, the purpose of the project is to improve pedestrian accessibility, improve pedestrian safety and improve roadway safety; and

WHEREAS, a resolution of support from the local governing body is required to be submitted with the application.

NOW THEREFORE BE IT RESOLVED, that the City Council of the City of Danville, Virginia, does hereby endorse the Smart Scale Application for the construction of Riverside Drive Improvements from Arnett Boulevard to Main Street; and

BE IT FURTHER RESOLVED, that the City Manager, Kenneth F. Larking, be, and is hereby, authorized to execute the application and any and all other paperwork necessary to effect the above referenced transaction.

APPROVED:

MAYOR

ATTEST:

CLERK

Approved as to
Form and Legal Sufficiency:

CITY ATTORNEY

PRESENTED: _____

ADOPTED: _____

RESOLUTION NO. 2020 - _____._____

A RESOLUTION ENDORSING A SMART SCALE APPLICATION BY THE CITY OF DANVILLE TO THE VIRGINIA DEPARTMENT OF TRANSPORTATION FOR THE PROPOSED CONSTRUCTION OF RIVERSIDE DRIVE IMPROVEMENTS FROM PINEY FOREST ROAD TO AUDUBON DRIVE.

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

WHEREAS, the City of Danville desires to submit an application for the construction of Riverside Drive Improvements from Piney Forest Road to Audubon Drive; and

WHEREAS, the purpose of the project is to improve pedestrian accessibility, improve pedestrian safety, and improve roadway safety; and

WHEREAS, a resolution of support from the local governing body is required to be submitted with the application.

NOW THEREFORE, BE IT RESOLVED, that the City Council of the City of Danville, Virginia, does hereby endorse the Smart Scale Application for the construction of Riverside Drive Improvements from Piney Forest Road to Audubon Drive; and

BE IT FURTHER RESOLVED, that the City Manager, Kenneth F. Larking, be, and is hereby, authorized to execute the application and any and all other paperwork necessary to effect the above referenced transaction.

APPROVED:

MAYOR

ATTEST:

CLERK

Approved as to
Form and Legal Sufficiency:

CITY ATTORNEY

PRESENTED: _____

ADOPTED: _____

RESOLUTION NO. 2020 - _____._____

A RESOLUTION ENDORSING A SMART SCALE APPLICATION BY THE CITY OF DANVILLE TO THE VIRGINIA DEPARTMENT OF TRANSPORTATION FOR THE PROPOSED CONSTRUCTION OF RIVERSIDE DRIVE IMPROVEMENTS FROM PARK AVENUE TO WESTOVER DRIVE.

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

WHEREAS, the City of Danville desires to submit an application for the construction of Riverside Drive Improvements from Park Avenue to Westover Drive; and

WHEREAS, the purpose of the project is to improve pedestrian accessibility, improve pedestrian safety, and improve roadway safety; and

WHEREAS, a resolution of support from the local governing body is required to be submitted with the application.

NOW THEREFORE BE IT RESOLVED, that the City Council of the City of Danville, Virginia, does hereby endorse the Smart Scale Application for the construction of Riverside Drive Improvements from Park Avenue to Westover Drive; and

BE IT FURTHER RESOLVED, that the City Manager, Kenneth F. Larking, be, and is hereby, authorized to execute the application and any and all other paperwork necessary to effect the above referenced transaction.

APPROVED:

MAYOR

ATTEST:

CLERK

Approved as to
Form and Legal Sufficiency:

CITY ATTORNEY

PRESENTED: _____

ADOPTED: _____

RESOLUTION NO. 2020 - _____._____

A RESOLUTION ENDORSING A SMART SCALE APPLICATION BY THE DANVILLE METROPOLITAN PLANNING ORGANIZATION TO THE VIRGINIA DEPARTMENT OF TRANSPORTATION FOR THE PROPOSED CONSTRUCTION OF A ROUNDABOUT ON MOUNT CROSS ROAD AT DIMON DRIVE AND PARKER ROAD WEST.

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

WHEREAS, the Danville Metropolitan Planning Organization completed a Mount Cross Road corridor analysis in May 2017 which recommended a roundabout on Mount Cross Road at Dimon Drive and Parker Road West; and

WHEREAS, the Danville Metropolitan Planning Organization desires to submit an application for the construction of a roundabout on Mount Cross Road at Dimon Drive and Parker Road West; and

WHEREAS, the purpose of the project is to improve transportation flow and safety in the intersection and along the corridor; and

WHEREAS, a resolution of support from the City Council of the City of Danville is required to be submitted with the application.

NOW THEREFORE, BE IT RESOLVED, that the City Council of the City of Danville, Virginia, does hereby endorse the Smart Scale Application for the construction of a roundabout on Mount Cross Road at Dimon Drive and Parker Road West; and

BE IT FURTHER RESOLVED, that the City Manager, Kenneth F. Larking, be, and is hereby, authorized to execute the application and any and all other paperwork necessary to effect the above referenced transaction.

APPROVED:

MAYOR

ATTEST:

CLERK

Approved as to
Form and Legal Sufficiency:

CITY ATTORNEY

Council Letter

City of Danville, Virginia



CL-2389

Work Session C.

Work Session Meeting

Meeting Date: 09/15/2020

Subject: Wireless Facilities Right-of-Way Franchise Agreement with Verizon

From: W. Clarke Whitfield, Jr., City Attorney

COUNCIL ACTION

Work Session: 9/15/2020

SUMMARY

Verizon is seeking a non-exclusive franchise agreement with the City allowing for the installation of up to ten (10) wireless internet antennae upon City right-of-way, pursuant to the City Cable Code.

BACKGROUND

Chapter 9.5 (Cable) of the Danville City Code permits the City Council to enter into franchise agreements for the placement of telecommunication service infrastructure within the City Right-of-Way. Verizon Wireless (Cellco Partnership) is interested in entering into a 10-year franchise with the City for the installation of up to ten (10) wireless facilities within the City Right-of-Way. In exchange, the City would receive \$1,000.00 per installation, the maximum amount allowable under State law.

State law recently changed to encourage the installation of privately-maintained wireless facilities (devices that retransmit wireless internet service) within local Rights-of-Way as well as the co-location of wireless facilities upon existing utility poles to minimize visual street obstructions and added construction costs.

To protect the public interest, the proposed franchise agreement requires Verizon to maintain adequate insurance and to indemnify the City and its property, and maintain the City's right to require all necessary permits and site planning prior to installation. While this agreement does not permit the co-location of wireless facilities upon City poles, included provisions do allow for the relocation of these wireless facilities, at Verizon's expense, onto City poles under the franchise if the City later decides to allow for such co-location generally.

Granting the attached franchise agreement will permit Verizon to install up to ten (10) wireless facilities within the City Right-of-Way and potentially upon existing City poles, provided they abide by all of the negotiated terms and conditions. Installing these proposed wireless facilities will improve internet coverage, and will do so in a manner that protects City involvement in the siting and installation process, minimizes visual clutter along public streets, and lowers internet costs ultimately passed through to customers within the City.

RECOMMENDATION

Staff recommends the approval of the attached franchise agreement and the granting of a 10-year franchise to Cellco Partnership d/b/a Verizon Wireless for the installation of up to ten (10) wireless facilities within the City Right-of-Way subject to the terms and conditions contained within the agreement.

Attachments

Ordinance
Agreement

PRESENTED: _____

ADOPTED: _____

ORDINANCE NO. 2020-____.____

AN ORDINANCE APPROVING AND AUTHORIZING A NEGOTIATED FRANCHISE AGREEMENT WITH CELLCO PARTNERSHIP D/B/A VERIZON WIRELESS.

WHEREAS, the City of Danville has authority, pursuant to the Code of Virginia to grant telecommunication franchises upon City-owned rights-of-way, and has enacted chapter 9.5 entitled "Cable Television", of the Code of the City of Danville, 1986, as amended, effectuating this grant of power; and

WHEREAS, Cellco Partnership d/b/a Verizon Wireless ("Verizon") provides wireless internet services in the City, and has requested a Franchise with the City for the installation of up to ten (10) wireless facilities in the City right-of-way pursuant to State law; and

WHEREAS, the City Manager and the City Attorney have negotiated an agreement with Verizon to install such wireless facilities upon the public right-of-way in the City under the terms and conditions substantially in the form attached hereto and further identified as the "Franchise Agreement".

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

1. Pursuant to Chapter 9.5, entitled "Cable Television", of the Code of the City of Danville, Virginia, 1986, as amended, the City grants a franchise to Cellco Partnership, to occupy the public right-of-way for the purpose of installing and operating up to ten (10) wireless facilities and accompanying structural supports under the terms and conditions more particularly set forth in the cable franchise agreement, in the form substantially attached hereto and incorporated herein as **Exhibit A** (the "Agreement" or "Franchise Agreement"); and
2. The provisions of Chapter 9.5, entitled "Cable Television" of the Code of the City of Danville, Virginia, 1986, as amended, are to be read together with the Franchise Agreement so as to give full force and effect to each. However, in the event of a manifest inconsistency between the provisions, the specific

provisions of the Franchise Agreement shall supersede the general provisions of the Code.

AND BE IT FURTHER ORDAINED, by the Council of the City of Danville, Virginia, that the City Manager, Kenneth F. Larking, be, and is hereby, authorized and directed to execute the Franchise Agreement and to any other documents necessary to be executed or signed to complete this transaction.

APPROVED:

MAYOR

ATTEST:

CLERK

Approved as to
Form and Legal Sufficiency:

Assistant City Attorney

**CITY OF DANVILLE, VIRGINIA NONEXCLUSIVE FRANCHISE
AGREEMENT WITH CELLCO PARTNERSHIP**

This Nonexclusive Franchise Agreement (hereinafter "Agreement") is made and entered into as of this _____ day of _____ 2020 (the "Effective Date"), by and between the City of Danville, Virginia, a Virginia municipal corporation (hereinafter "City" or "Grantor") and Cellco Partnership d/b/a Verizon Wireless, whose principal place of business is One Verizon Way, Mail Stop 4AW100, Basking Ridge, NJ 07920 hereinafter ("Verizon" or "Grantee").

WHEREAS, Grantee, is a partnership duly organized and existing under the laws of the State of Delaware; and

WHEREAS, Grantee desires to use and occupy the streets and public rights-of-way (as hereinafter defined) located within the City for the purposes of constructing, installing, and maintaining network facilities for Wireless Services within and through the City; and

WHEREAS, pursuant to Article VII, Section 9 of the Constitution of Virginia and Chapter 21 of Title 15.2 of the Virginia Code, the City has the authority to grant franchises and other authorizations for the use and occupancy of the streets and public rights-of-way; and

WHEREAS, the City is agreeable to allowing Grantee to use the streets and public rights-of-way, subject to the terms and conditions hereinafter set forth and subject to any lawful and applicable regulatory ordinance that may be adopted by the City in the future;

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein, the City and Grantee agree as follows:

Section 1. Grant of Authority. (a) Subject to the terms of this Agreement, the City hereby grants to Grantee a non-exclusive revocable license to construct, install, maintain, locate, move, operate, place, protect, reconstruct, reinstall, relocate, remove and replace Wireless Support Structures, Utility Poles, Wireless Facilities, Small Cell Facilities and related facilities for the provision of Wireless Services in, on, over, under and through the public streets and public rights-of-way in the City of Danville. The parties acknowledge and agree that the license granted to Grantee hereunder expressly includes the right to attach its equipment and Wireless Facilities, as applicable, on existing Utility Poles, existing Third Party Poles, existing Company Poles, and non-City owned street lights or non-City owned traffic-control structures within the public streets and rights of way, provided Grantee shall be solely responsible for obtaining any required consents from State agencies or private parties to the extent required by law and shall also obtain the required permits and consent from the City. This grant of authority does not extend to Grantor Poles or other City-owned structures as the Grantee will be required to enter into a separate agreement with the City as provided in Section 13 of this Agreement. It is expressly agreed that this Agreement does not give Grantee the right to occupy any public rights-of-way with permanent ground-mounted cabinets, pads and other similar structures except pursuant to the express approval of the City pursuant to the applicable provisions of the Danville City Code and local procedures of the City and nothing in this Agreement shall be construed as consent by the City for Grantee to provide Cable Service within the City.

(b) Grantee acknowledges that this license is for the benefit of Grantee only, and that Grantee is not authorized to lease, sublease, assign or otherwise allow other providers to use or occupy the public rights-of-way except in accordance with provisions of this Agreement.

(c) Grantee acknowledges that, to the extent allowed by State and Federal law, the City has the authority to adopt ordinances regulating the use of the public rights-of-way, so long as such ordinances apply equally to all certificated providers of Wireless Services and are related to using the public streets and public rights-of-way in the City. Grantee agrees to be bound by all such future lawful ordinances so long as it operates Wireless Services or has property or equipment within the public streets or rights-of-way located in the City. Additionally, the parties acknowledge and agree that if any federal, state or local laws or regulations (including, but not limited to, those issued by the Federal Communications Commission or its successor agency) and any binding judicial interpretations thereof (collectively, "Laws") that govern any aspect of the rights or obligations of the parties under this Agreement shall change after the Effective Date, and such change makes any aspect of such rights or obligations inconsistent with the then-effective Laws, then the parties agree to promptly amend the Agreement as reasonably required to accommodate and/or ensure compliance with any such legal or regulatory change.

(d) This Agreement is not a grant by the City of any fee simple or other property interest and is made subject and subordinate to the prior and continuing right of the City of Danville to use the public streets and public rights-of-way occupied by Grantee for any lawful purpose including, but not limited to, the laying, installing, maintaining, repairing, protecting, replacing, and removing sanitary sewers, water mains, storm drains, gas mains, poles and other equipment for municipal uses and with the right of ingress and egress, along, above, over, across and in said public streets and public rights-of-way.

(e) The initial term of this Agreement shall commence from and after such date (the "Commencement Date") that (a) the Agreement has been approved by the City Council governing body; and (b) all required bonds, letters of credit, certificates of insurance and other instruments required by this Agreement have been filed with, and accepted and approved by the City, which acceptance and approval shall not be unreasonably delayed, conditioned or withheld. Upon satisfaction of the requirements in this subsection, the Parties shall execute a License Acceptance in the form as shown on the attached Exhibit A, which shall establish the Commencement Date.

Section 2. Definitions. For the purpose of this Agreement, and the interpretation and enforcement thereof, the following words and phrases, whether or not capitalized within the Agreement, shall have the following meanings, unless the context of the sentence in which they are used shall indicate otherwise:

"Affiliate" means a person or entity that directly, or indirectly, through one or more intermediaries, owns, controls, is owned or controlled by, or is under common ownership or control with another person or entity.

"Cable Service" shall have the same meaning as in the 47 U.S. Code § 522, and shall be synonymous with the term "cable television service."

"City" means the City of Danville, Virginia, and where appropriate to the context, its officers, agents, employees and volunteers.

"City Attorney" means the City Attorney or his designee.

"City Council" means the City Council of the City of Danville.

"City Manager" means the City Manager or his designee.

"City Property" means and includes all real and personal property owned by the City, including all property held in a proprietary capacity by the City.

"Company Pole(s)" means any structure installed or approved to be installed by or on behalf of Grantee or its Carriers (as defined in Section 10 herein), in Public Streets and Public Rights-of-Way.

"Conduit" means any materials, such as metal or plastic pipe, that protects wire, cable, lines, fiber optic cable, or other technology for the provision of Wireless Services.

"Director" means the City's Director of Public Works or his designee.

"Duct" means a pipe, tube, channel or similar item for carrying wires, lines, cables, fiber optic cable, or other technology for the provision of Wireless Services.

"Fiber optic or other cable and related facilities" means fiber optic cables or other cable, facilities, conduits, converters, splice boxes, handholds, manholes, vaults, equipment, drains, surface location markers, appurtenances and related facilities located or to be located by Grantee in the public streets or rights-of-way of the City used or useful for the transmission of Wireless Services.

"Grantee" or "Verizon" means Cellco Partnership.

"Grantor" means the City of Danville, Virginia.

"Grantor Pole(s)" means any utility pole, light pole, traffic signal pole, or other structure owned by the City of Danville and capable of supporting a Small Cell Facility attachment.

"Micro-Wireless Facility" means a small cell facility that is not larger in dimension than 24 inches in length, 15 inches in width, and 12 inches in height and that has an exterior antenna, if any, not longer than 11 inches.

"Public streets and public rights-of-way" or "public ways" include the surface of, and the space above and below, any public street, road, highway, avenue, sidewalk, way, bridge, viaduct, alley or other public right-of-way, including unimproved surfaces, now or hereafter

held by the City for the purpose of public travel, communications, alarm, street lighting, power distribution, water or sewer service or other public use, whether present or future, to the extent of the City's right, title, interest or authority to grant a franchise to occupy and use such public ways for the purpose of providing Wireless Services.

“Public works project or public improvements” include, without limitation, the construction, realignment, paving or repaving, or other work on any public street or public right-of-way, change of grade or alignment of any public street or public right-of-way, the construction or reconstruction of any water, sanitary sewer, storm sewer, force main, drainage, trail, sidewalk, curb, gutter, landscaping, beautification, communications facility of the City, or any other improvement.

“Small Cell Facility” means a wireless facility that meets both of the following qualifications: (i) each antenna is located inside an enclosure of no more than six cubic feet in volume, or, in the case of an antenna that has exposed elements, the antenna and all of its exposed elements could fit within an imaginary enclosure of no more than six cubic feet and (ii) all other wireless equipment associated with the facility has a cumulative volume of no more than 28 cubic feet, or such higher limit as is established by the Federal Communications Commission. The following types of associated equipment are not included in the calculation of equipment volume: electric meter, concealment, telecommunications demarcation boxes, back-up power systems, grounding equipment, power transfer switches, cut-off switches, and vertical cable runs for the connection of power and other services.

“Third Party Pole(s)” means any existing structure that is not owned, in whole or in part by the City or Grantee, and is installed within the Public streets and public rights-of-way as of the date of adoption of the ordinance authorizing this Agreement. Third Party Poles include, but are not limited to, Utility Poles.

“Utility Pole(s)” means a structure owned, operated, or owned and operated by a public utility, local government, or the Commonwealth (excluding Grantor Poles) that is designed specifically for and used to carry lines, cables, or wires for communications, cable television, lighting, or electricity.

“Wireless Facilities” means equipment at a fixed location that enables Wireless Services between user equipment and a communications network, including (i) equipment associated with Wireless Services, such as private, broadcast, and public safety services, as well as unlicensed Wireless Services and fixed Wireless Services, such as microwave backhaul, and (ii) radio transceivers, antennas, coaxial, or fiber-optic cable, regular and backup power supplies, and comparable equipment, regardless of technological configuration, installed, constructed, maintained, located, moved, operated, placed, protected, reconstructed, reinstalled, relocated, removed and replaced in the public streets and public rights-of-way in the City of Danville by Grantee for the provision of Wireless Services – which shall include, but not be limited to, Small Cell Facilities, Micro-wireless Facilities, and Wireless Support Structures.

“Wireless Services” means (i) “personal wireless services” as defined in 47 U.S.C. §332(c)(7)(C)(i); (ii) “personal wireless service facilities” as defined in 47 U.S.C. §332(c)(7)(C)(ii), including commercial mobile services as defined in 47 U.S.C. § 332(d), provided to personal mobile communication devices through wireless facilities; and (iii) any other fixed or mobile wireless service, using licensed or unlicensed spectrum, provided using Wireless Facilities.

“Wireless Support Structure” means a freestanding structure, such as a monopole, tower, either guyed or self-supporting, or suitable existing structure or alternative structure designed to support or capable of supporting Wireless Facilities. “Wireless support structure” does not include any telephone or electrical utility pole or any tower used for the distribution or transmission of electrical service.

Section 3. Term of Agreement. (a) The initial term of this Agreement shall be for a term of ten (10) years from the Commencement Date, as set forth in the License Acceptance (“Initial Term”). At the end of the Initial Term, the Agreement shall thereafter automatically renew for three additional five-year terms (each, a “Renewal Term”); provided, however, that either party may, upon giving ninety (90) days’ written notice prior to the end of the Initial Term or any five year Renewal Term, as applicable, terminate the Agreement at the end of the Term (as defined below) then in effect. Upon termination of this Agreement as herein provided, and unless the parties are in active good faith negotiation of a replacement agreement or otherwise and agree in writing to an extension, Grantee shall be prohibited from further access to the public rights-of-way in the City of Danville. The Initial Term and all Renewal Terms hereunder shall be collectively referred to as the “Term”. Notwithstanding anything herein, after the expiration or termination of this Agreement, its terms and conditions shall survive and govern with respect to any remaining permits in effect until their expiration or termination.

(b) Either the City or Grantee may terminate this Agreement for an uncured material breach by the other. The non-breaching party must first provide written notice of the existence of a material breach to the breaching party. Such notice shall state the grounds for termination in reasonable detail. The party receiving notice of termination for cause shall thereafter have ninety (90) days to cure, or commence and vigorously pursue good faith efforts to cure the alleged material breach.

(c) Upon the expiration or termination of this Agreement (including any renewal period), or if any portion of Grantee’s facilities are abandoned for a period of time exceeding ninety (90) days, Grantee shall remove its Wireless Facilities and equipment at its own expense. The City agrees and acknowledges that all of the equipment, conduits, fixtures and personal property of Grantee shall remain the personal property of Grantee and Grantee shall have the right to remove the same at any time during the Term, whether or not said items are considered fixtures and attachments to real property under applicable laws. If, in the event Grantee fails to remove its facilities within thirty (30) days following written notice from the City requiring such removal, the City may cause such facilities to be removed, without further notice, and charge the actual cost for removal to Grantee which shall pay such costs within thirty (30) days

after the City's written demand to do so. The City may collect such costs, expenses and attorney's fees as debts owed to the City by bringing action in any court of competent jurisdiction to enforce this Section 3(c).

Section 4. Compliance With Applicable Law. The parties shall, at all times during the Term of this Agreement, including any renewal period, comply with all applicable federal, state, and local laws, ordinances, and regulations. Expressly reserved to the City is the right to adopt, in addition to the provisions of this Agreement and existing laws, such additional ordinances and regulations as are necessary for the lawful exercise of its police power for the benefit and safety of the public.

Section 5. Construction; Location or Relocation of Facilities. All facilities of Grantee shall be constructed, installed and located in accordance with the following terms and conditions, unless otherwise specified by the City.

5.1. Whenever existing overhead electric utilities, cable facilities, or telecommunications facilities (collectively, "Other Service Providers") are relocated underground within a particular segment of a street or public right-of-way of the City, the City may also require Grantee to relocate its Wireless Facilities (with the exception of radios and antennas) underground, provided that: (a) such relocation does not prohibit, or have the effect of prohibiting, Grantee's Wireless Services from such location(s); (b) the relocation is commercially reasonable; provided, however that the City's relocation requirement shall be deemed commercially reasonable if said requirement made by the City is fair and consistent with what is required of Other Service Providers similarly situated in the City's right of way and whose facilities must also be relocated; (c) the City complies with the Undergrounding Notice Requirements as provided herein below; and (d) the additional incremental costs of such underground relocation (as compared to aerial) shall be paid by the City. Any such relocation, if required, shall be made concurrently to minimize the disruption of the public streets or public rights-of-way. As used herein, the applicable "Undergrounding Notice Requirements" shall be as follows: the City shall first notify Grantee in writing that it intends to require relocation of certain of Grantee's Wireless Facilities pursuant to this Agreement. Thereafter, Grantee shall have thirty (30) days to respond to the City in writing, specifying the projected costs associated with such relocation. If the parties conclude in writing that such relocation is commercially reasonable, and determine to proceed with the relocation, Grantee shall have ninety (90) days thereafter to effectuate same; provided, however, that if Grantee determines that additional time is required to complete the relocation, this timeframe may be reasonably extended as necessary, upon written approval from the City. Once the relocation is complete, Grantee shall submit an invoice to the City for the costs payable by the City pursuant to this Section 5.1, and the City shall promptly submit payment to Grantee. In the event such relocations conflict with reasonable requirements of the Grantee, the City and Grantee shall cooperate in good faith to find suitable alternatives, if available; provided, however, that the City will not be required to incur financial costs in identifying such suitable alternatives and shall not be required to acquire new locations for the Grantee.

In the course of constructing or relocating its Wireless Facilities, the Grantee shall not be permitted, unless mutually agreed upon, to create, or cause to be created, a new communication or electrical power aerial roadway crossing for any purpose, including, but

not limited to, supplying power or communication connectivity to its Wireless Facilities.

52. Grantee shall obtain all required permits for the construction or installation of its Wireless Facilities as required in this Agreement; provided, however, that nothing in this Agreement shall prohibit the City and Grantee from agreeing to an alternative plan to review future City permit and construction procedures, provided such alternative procedures do not present an undue hardship to Grantee, and provide substantially equivalent safeguards for responsible construction practices.

53. In the performance and exercise of its rights and obligations under this Agreement, Grantee shall not interfere in any manner with the existence and operation of any public street and public or private right-of-way, sanitary sewer, water line, storm drain, gas main, pole, overhead or underground electric and telephone wires, television cables, public works, facilities of other telecommunication providers, City Property, or any other facility within the public street and public or private right-of-way, without the prior approval of the City.

54. Except as may be expressly provided herein, nothing in this Agreement shall be construed to abrogate or limit the right of the City of Danville to perform any public works or public improvements. If any Wireless Facilities of the Grantee interfere with the construction, operation, maintenance, repair or removal of such public works or public improvements, within ninety (90) days following Grantee's receipt of written notice from the City of Danville (or such other period of time set forth as may be agreed upon in writing by the City of Danville and the Grantee), Grantee shall, at its own expense protect, alter, remove or relocate its Wireless Facilities, as directed by the City. If Grantee fails to so protect, alter, remove or relocate its Wireless Facilities within such period and Grantee's inability to do so is not the result of a force majeure or other events beyond the control of Grantee, the City may break through, remove, alter or relocate the Wireless Facilities without any liability to City, and Grantee shall pay to the City the actual costs incurred in connection with such breaking through, removal, alteration or relocation. Grantee shall also reimburse the City for or bear any additional costs actually incurred by the City as a result of Grantee's failure to comply with the City's request to protect, alter or remove equipment under this Agreement. The City may collect actual costs it has incurred in collecting such costs (excluding attorney fees), as debts owed to the City, by bringing action in any court of competent jurisdiction or exercising the City's rights to draw on bonds or letters of credit, or in any other lawful manner, individually or in combination.

55. The City retains the right and privilege to cut or move any Wireless Facilities located within the public ways or other areas of the City as the City may determine to be necessary, appropriate or useful in response to any life-threatening emergency. The City will endeavor to notify Grantee of such emergencies which may impact its Wireless Facilities. Nothing herein shall create any duties or obligations on the City to so notify Grantee nor shall the City, its officers, agents, employees, or volunteers in any way be liable for any failure to notify Grantee.

56. The Wireless Facilities shall be located so as not to interfere with the public safety or, to the extent possible, with the convenience of persons using the public streets or rights-of-way. Grantee shall construct, maintain and locate its Wireless Facilities so as not to

interfere with the construction, location and maintenance of roadways, sidewalks, trails, sewer, water, drainage, electrical, signal, fiber optic, and any other facilities of the City.

5.7. The City shall have the right to specifically designate the location of the Wireless Facilities with reference to roadways, sidewalks, trails, sewer and water mains, drainage facilities, fiber optic cable, signal poles, light poles and lines and similar services, other facilities, such as public telephone utilities, public electric utilities, cable television facilities, and railway, communication and power lines, in such a manner as to protect the public safety and public and private property. Failure by the City to designate the location of any portion of the Wireless Facilities shall not relieve Grantee of its responsibilities in matters of public safety, as provided in this Agreement.

5.8. Except in the cases of emergencies, Grantee shall not move, alter, change or extend any of its Wireless Facilities in any public street or public right-of-way unless prior written notice of its intention to do so is given to the Director and permission in writing to do so is granted, or such requirement is waived in writing by the Director. The City shall use its best efforts to either approve or deny Grantee's request to relocate the Wireless Facilities within thirty (30) days of receipt of Grantee's request; however, the City's failure to respond within said time period shall not be deemed to be an approval. Such permission shall be conditioned upon compliance with the terms and conditions of this Agreement, with such other terms and conditions as will preserve, protect and promote the safety of the public using the public ways, and as will prevent undue interference with or obstruction of the use of the public ways by the public, the City or by any other public utility, public service corporation or cable operator for their respective purposes and functions. Such work by Grantee shall also be coordinated with the City's annual paving program through the City's Department of Public Works.

5.9. Grantee shall not open, disturb or obstruct, at any time, any more of the public streets or public rights-of-way than is reasonably necessary to enable it to proceed in laying or repairing its Wireless Facilities. Grantee shall not permit any public street or public right-of-way so opened, disturbed or obstructed by it to remain open, disturbed or obstructed for a longer period of time than shall be reasonably necessary. In all cases where any public street or public right-of-way is excavated, disturbed or obstructed by Grantee, Grantee shall take all precautions necessary or proper for the protection of the public and shall maintain adequate warning signs, barricades, signals and other devices necessary or proper to adequately give notice, protection and warning to the public of the existence of all actual conditions present.

5.10. After the installation, removal, relocation or construction or maintenance of the Wireless Facilities is completed, Grantee shall, at its own cost, repair and return the public streets or public rights-of-way to a minimum of the same or better condition existing before such installation, removal, relocation construction or maintenance, in a manner as may be reasonably specified by the City and to the reasonable satisfaction of the City. Grantee shall be responsible for damage to City street pavements, existing utilities, curbs, gutters, sidewalks and any other facilities, structures, landscaping or grading due to Grantee's installation, construction, maintenance, repair or removal of its Wireless Facilities in the public streets, public rights-of-way, and shall repair, replace and restore in kind, the said damaged property at its sole expense. Upon failure of Grantee to repair, replace and restore said damaged property in

a manner as may be reasonably specified by the City and to the reasonable satisfaction of the City, after thirty (30) days' notice in writing shall have been given by the City, or a different time frame to which Grantee and the City reasonably agree, the City may cause such necessary repairs to be made ("Self Help Repairs") and may collect the costs incurred from Grantee, including but not limited to, exercising the City's rights to draw on bonds or letters of credit. The City may collect such costs, and any expenses and attorney fees incurred in collecting such costs, as debts owed to the City, by bringing action in any court of competent jurisdiction or in any manner allowed by law.

5.11. Except as otherwise necessitated by installation, operation and maintenance of the Wireless Facilities contemplated by this Agreement, neither Grantee, nor any person acting on Grantee's behalf, shall take any action or permit any action to be done which may impair or damage any City Property, including, but not limited to, any public street, public right-of-way or other property located in, on or adjacent thereto. As stated above, Grantee shall, at its own expense, repair and return any City Property to the same or better condition existing before such installation, removal, relocation, construction or maintenance, in a manner as may be reasonably specified by the City and to the reasonable satisfaction of the City. Notwithstanding this provision, Grantee shall not be responsible for impairment or damage to City Property caused by Self Help Repairs.

5.12. In the event of an unexpected repair or emergency, Grantee may commence such repair and emergency response work as required under the circumstances, provided, however, that Grantee shall notify the City as promptly as possible, before such repair or emergency work is started (or as soon thereafter as possible if advance notice is not practicable).

5.13. Grantee shall maintain its Wireless Facilities in good and safe condition and in a manner that complies with all applicable federal, state and local requirements, laws, ordinances, and regulations.

5.14. Grantee shall at all times employ a high standard of care and shall install and maintain and use approved methods and devices for preventing failure or accidents which are likely to cause damages, injuries or nuisances to the public.

5.15. Grantee shall obtain all required permits from the City and any other governmental entity having jurisdiction prior to commencing work of any nature and shall comply with all terms and conditions of any such permit. Grantee shall furnish detailed plans of the work and other required information, and shall pay all required fees prior to issuance of a permit in accordance with the rates in effect at the time of payment. Grantee shall comply with all applicable ordinances and permitting requirements. The City shall issue all permits in accordance with applicable federal, state and local law, including the Danville City Code and Chapter 15.1 of Title 56 of the Code of Virginia or its successor provisions.

A single permit may be issued for multiple excavations, pole installations, or pole attachments to be made in public streets and rights-of way; provided, however, any applicable fees established by the City shall apply to each such excavation, pole installation or pole attachment unless otherwise provided by law. Exceptions to the requirement for a written permit may be

allowed in cases of emergencies involving public safety or restoration of service. In the case of emergency excavations or pole-related repairs made in a public street or public right-of-way without a permit, Grantee shall attempt to notify the Director immediately to obtain appropriate guidance and authority; however, in the event the Grantee is unable to make such contact after making a diligent attempt to do so, Grantee shall make a report of each such excavation or pole-related repair to the City within two (2) business days and pay any applicable administrative fee (without penalty). Any permit application and inspection related to repair of excavations or pole-related repairs shall be promptly acted upon by the City so as not to unreasonably delay Grantee in efficiently discharging its public service obligation and in any event shall be granted or denied within thirty (30) days from submission and, if denied, accompanied by a written explanation of the reasons the permit was denied and the actions required to cure the denial.

As used in this Agreement, "business day" shall refer to any day other than a Saturday, Sunday or federal holiday, or any other day on which national banks in the Commonwealth of Virginia are not open for business.

5.16. (a) Promptly after installation, repair or extension of Wireless Facilities or any portion thereof or any pavement cut by Grantee in any public way of the City, the incidental trenches or excavations shall be refilled by Grantee in a manner reasonably acceptable to the City. Pavement, sidewalks, curbs, gutters or any other portions of public ways damaged, disturbed or destroyed by such work shall be promptly restored and replaced with like materials to their former or better condition by Grantee at its own expense. However, where it is necessary, and if authorized by the City, in order to achieve the former conditions, Grantee shall, at its own expense, use materials whose type, specification and quantities exceed or are different from those used in the installation. Where a cut or disturbance is made in a section of sidewalk or paving, rather than replacing only the area actually cut, Grantee shall replace the full width of the existing sidewalk or appropriate sections of paving as determined by the City and the full length of the section or sections cut, a section being defined as that area marked by expansion joints or scoring or as determined by the City. Grantee shall maintain, repair and keep in good condition for a period of two (2) years following such disturbance all portions of public ways disturbed by Grantee, provided such maintenance and repair shall be necessary because of defective workmanship or materials supplied by Grantee.

(b) All trees, landscaping and grounds removed, damaged or disturbed as a result of the construction, installation maintenance, repair or replacement of Wireless Facilities shall be replaced or restored, as nearly as may be practicable, to the condition existing prior to performance of work. All restoration work within the public ways or other areas shall be done in accordance with landscape plans approved by the City.

5.17. (a) Grantee shall promptly remove or correct any obstruction, damage, or defect in any public street or public right-of-way caused by Grantee in the installation, operation, maintenance or extension of Grantee's Wireless Facilities. Any such obstruction, damage, or defect which is not promptly removed, repaired or corrected by Grantee within thirty (30) days following proper written notice to do so, given by the City to Grantee, may be removed or corrected by the City, and the cost thereof shall be charged against Grantee and payable on

demand. Any expense, cost, or damages incurred for repair, relocation, or replacement to City water, sanitary sewer, storm sewer, storm drainage, telecommunication facilities, streets, sidewalks, trails, curbs, gutters, or other property resulting from construction or maintenance of Grantee's Wireless Facilities shall be borne by Grantee, and any and all expense and cost incurred in connection therewith by the City shall be fully reimbursed by Grantee to the City.

(b) If weather or other conditions do not permit the complete restoration required by this Section, Grantee shall temporarily restore the affected property. Such temporary restoration shall be at Grantee's sole expense and Grantee shall promptly undertake and complete the required permanent restoration when the weather or other conditions no longer prevent such permanent restoration.

(c) Grantee or other person acting in its behalf shall use suitable barricades, flags, flaggers, lights, flares and other measures as required for the safety of all members of the general public and to prevent injury or damage to any person, vehicle or property by reason of such work in or affecting such ways or property and shall comply with all federal, state, and local laws and regulations, including, but not limited to, the flagging requirements of the Virginia Department of Transportation and/or the City of Danville.

5.18. The parties acknowledge and agree that this Agreement shall not constitute a waiver of the Grantor's sovereign immunity. Except in the case of the City's gross negligence or intentional or willful misconduct, the City, its officers, agents, or employees, shall not be liable for any damage to or loss of any of Grantee's Wireless Services or Wireless Facilities within the public ways or any other areas of the City as a result of or in connection with any public works, public improvements, construction, excavation, grading, mowing, maintenance, filling, or work or activity or lack of any activity of any kind by or on behalf of the City.

5.19. Grantee shall cooperate with the City in coordinating its construction activities as follows:

(a) Grantee shall provide the City with a schedule of its proposed construction activities prior to commencing any expansion of its backbone system;

(b) Upon request, Grantee shall meet with the City and other users of the public ways to coordinate construction in the public ways; and

(c) All construction locations, activities and schedules shall be coordinated, as directed by the City, to minimize public inconvenience, disruption or damages. Grantee shall submit a written construction schedule to the City at least ten (10) business days before commencing any work in or about the public streets or public rights-of-way. Grantee shall further notify the City not less than five (5) business days in advance of such excavation or work and shall comply with the provisions of the Virginia Underground Utility Damage Prevention Act, Virginia Code Section 56-265.14, et. seq., or its successor provisions.

5.20. Notwithstanding anything to the contrary in this Section, the installation, placement, maintenance, or replacement of Micro-Wireless Facilities that are suspended on

cables or lines that are strung between existing utility poles in compliance with national safety codes shall be exempt from locality-imposed permitting requirements and fees. However, the City may require a single use permit if such activities (i) involve working within the highway travel lane or require closure of a highway travel lane; (ii) disturb the pavement, shoulder, roadway, or ditch line; (iii) include placement on limited access rights-of-way; or (iv) require any specific precautions to ensure the safety of the traveling public or the protection of public infrastructure or the operation thereof, and either were not authorized in or will be conducted in a time, place, or manner that is inconsistent with the terms of the existing permit for that facility or the structure upon which it is attached.

521. The City may deny a zoning permit request for the installation of a Wireless Facility when the same does not comply with the Danville City Code, as the same may be amended or recodified from time to time.

Section 6. Compensation. The City shall not impose any fee for the use of the rights of way, except for zoning, subdivision, site plan, comprehensive plan fees of general application, or as otherwise authorized by law, upon the Grantee for the attachment or co-location of Small Cell Facilities on an existing structure in the Public streets and public rights-of-way of the City. For the installation of a new Wireless Support Structure, Grantee shall pay to the City a one-time application fee of \$1,000 for each installation, which shall be in addition to the administrative and permitting fees authorized under Virginia Code Section 15.2-2316.4:1, or its successor provision. As this Agreement expressly excludes Grantor Poles and other City-owned structures, the compensation provisions of this Section 6 do not apply to Grantor Poles or other City-owned structures.

Section 7. Mapping. (a) Grantee shall maintain an accurate map of its Wireless Facilities. Grantee shall provide the City with "as built" drawings and an accurate map or maps showing the location of the Wireless Facilities, including pole lines and conduit lines and any other details requested by the City, to include digitized map(s) in both printed and electronic form readable by the current version of Auto CAD and tied to the Virginia State Plane Coordinate System and tied to the City's Survey Control monuments and geographic information system certifying the location of all Wireless Facilities within the City. Grantee shall, upon request, provide updated maps annually.

(b) If any of the requested information of Grantee in this Agreement is considered proprietary, confidential or a trade secret, Grantee will notify the City of this opinion and the City will keep such information confidential to the extent permitted by the Virginia Freedom of Information Act or other any successor statute or law. Grantee will submit an existing facilities map as a condition precedent to the City's approval of this Agreement. As for new installations, after the Effective Date of this Agreement, Grantee shall submit the proposed mapping of its plans for new construction to the City prior to any construction. As-built drawings of any new construction of Wireless Facilities shall be furnished to the City within sixty (60) days of completion of such construction. All as-built maps and drawings shall be drawn to scale and provide reference to a physical City benchmark to the extent the physical benchmark is in reasonable proximity to Grantee's new installation. All mapping shall be provided in a format compatible to the City's present and future mapping systems.

Alternatively, Grantee will pay for the cost of making the mapping compatible.

(c) Prior to its installation of any Wireless Facilities in the public streets or public rights-of-way and after Grantee provides the City with its proposed plans for the Wireless Facilities, the City may in its discretion designate certain locations to be excluded from use by Grantee for its Wireless Facilities, including, but not limited to, ornamental or similar specially designed street lights or other facilities or locations which, in the reasonable judgment of the City, do not have electrical service adequate for or appropriate for Grantee's Wireless Facilities or cannot safely bear the weight or wind loading thereof, or any other facility or location that in the reasonable judgment of the City is incompatible with the proposed Wireless Facilities or would be rendered unsafe or unstable by the installation. The City may further exclude certain other facilities that have been designated or planned for other use or are not otherwise proprietary, legal or other limitations or restrictions as may be reasonably determined by the City. In the event such exclusions conflict with reasonable requirements of Grantee, the Parties will cooperate in good faith with Grantee to attempt to find suitable alternatives, if available, provided that the City shall not be required to incur financial costs nor shall the City be required to acquire new locations for Grantee. Grantee shall, prior to any excavation or installation within the public streets or public rights-of-way, provide sufficient notification and joint installation opportunity on a shared cost basis to potential users of the public streets or public rights-of-way as may be provided for by a separate City policy. Such notification and adopted policies shall be designed to maximize co-location of providers to minimize the disturbance to the public streets or public rights-of-way and maximize its useable capacity.

Section 8. Insurance Requirements. At all times during the Term of this Agreement, Grantee shall, at its expense, maintain the insurance policies listed herein. Any required policy obtained through a third-party insurer shall be in a form and with an insurance company authorized or permitted to do business in the Commonwealth of Virginia and have a rating of no less than A-X by A.M. Best Co. Although Grantee is not currently self-insured, the City acknowledges and agrees that Grantee may elect to self-insure during the Term of this Agreement if: (a) Grantee meets the self-insurance requirements promulgated under Virginia law; and (b) Grantee has processed any necessary applications and/or materials with the Commonwealth of Virginia required to self-insure (and has provided copies of same to the City).

(a) **Commercial General Liability.** Grantee shall procure and maintain throughout the Term of this Agreement commercial general liability insurance with limits of Five Million Dollars (\$5,000,000.00) per occurrence for bodily injury (including death), and for property damage and Five Million Dollars (\$5,000,000) general aggregate including contractual liability. Grantee agrees that it will include the City as an additional insured as its interest may appear under this Agreement. However, the parties acknowledge that Grantee may meet the policy limit in this Section by combination of Grantee's General Commercial Liability Policy and Grantee's Umbrella or Excess Liability Policy.

(b) **Workers' Compensation.** Workers' Compensation insurance covering Grantee's statutory obligation under the laws of the Commonwealth of Virginia and Employer's Liability

Insurance in the amount of One Million Dollars (\$1,000,000) each accident/disease/policy limit for all its employees engaged in work under this Agreement.

(c) Commercial Automobile Liability. Commercial Auto Liability insurance having a combined single limit of liability of One Million Dollars (\$1,000,000) each accident for bodily injury and property damage covering all owned or non-owned vehicles used in the performance of any work under this Agreement.

(d) Pollution Liability Insurance. Grantee shall maintain during the life of this Agreement Pollution Liability Insurance in the amount of One Million Dollars (\$1,000,000) per occurrence. Coverage shall be provided for bodily injury and property damage resulting from pollutants which are discharged suddenly and accidentally. Such insurance shall also provide coverage for cleanup costs.

(e) Grantee shall, prior to commencing construction pursuant to the execution of this Agreement or within ten (10) business days after the granting of a permit contemplated by this Agreement, whichever is sooner, furnish to the City certificate(s) of insurance, showing the type, amount required herein, effective dates and date of expiration of the policies, and thereafter within ten (10) days of the expiration or modification of any such policies. Such certificate or certificates and evidence of insurance shall include the City, its officers, and employees as additional insureds as their interest may appear under this Agreement, excluding Worker's Compensation and Employer's Liability.

Section 9. Surety. Within thirty (30) days after this Agreement is approved by the City, and prior to the issuance of any permits for construction by Grantee, Grantee shall furnish and file with the City a performance bond issued by a surety authorized or permitted to do business in the Commonwealth of Virginia and in a form acceptable to the City of Two Thousand Five Hundred Dollars (\$2,500.00) per pole up to a maximum amount of Twenty Five Thousand Dollars (\$25,000.00). The rights reserved to the City with respect to such performance bond shall be in addition to all other rights Grantor may have under this Agreement or any other law.

Section 10. Transfer of ownership. Notwithstanding any provision of this Agreement, Grantee may not assign, transfer, lease, or sell any of the rights and privileges granted hereunder without the approval of the City Manager, which approval shall not be unreasonably withheld, conditioned or delayed; provided, however, that no such consent need be obtained from the City Manager if Grantee assigns, transfers, leases or sells any rights and privileges granted hereunder to any of its principal, affiliates, subsidiaries of its principal, or to any entity which acquires all or substantially all of Grantee's assets by reason of a merger, acquisition, or other business reorganization (each a "Permitted Transfer"). Notwithstanding anything contained herein to the contrary, a Permitted Transfer shall not be effective until such transferee has filed with the City of Danville a duly executed instrument reciting the fact of such assignment, transfer, lease or sale and accepting the terms of this Agreement and agreeing to perform all of the conditions hereof. The City and Grantee acknowledge and agree that, notwithstanding anything in this Agreement to the contrary, certain Wireless Facilities deployed by Grantee in the rights-of-way pursuant to this Agreement may be owned and/or operated by Grantee's third-party wireless carrier customers ("Carriers") and installed and maintained by Grantee pursuant to license agreements between Grantee and such Carriers. Such facilities shall be treated as

Grantee's Wireless Facilities for all purposes under this Agreement provided that (i) Grantee remains responsible and liable for all performance obligations under this Agreement with respect to such facilities; (ii) the City's sole point of contact regarding such facilities shall be Grantee; and (iii) Grantee shall have the right to remove and relocate said facilities.

Section 11. Indemnification. Grantee agrees to indemnify, defend and hold harmless the City, its officers, employees and agents from and against all claims, demands, losses, damages, liabilities, fines, and penalties, and all actual costs and expenses incurred in connection therewith, including, without limitation, reasonable attorney's fees and costs of defense (collectively, the losses), arising out of any breach by Grantee of the terms and conditions of this Agreement, except to the extent proximately caused by the gross negligence or willful misconduct of the City of Danville, its officers, employees and agents. In addition, Grantee shall protect, indemnify, and hold harmless the City, its officers, agents, and employees, from any and all demands for fees, claims, suits, actions, causes of action, or judgments based on the alleged infringement or violation of any patent, invention, article, arrangement, or other apparatus that may be used in the performance of any work or activity arising out of the use of any Wireless Facilities or the provision of Wireless Services, except to the extent proximately caused by the gross negligence or willful misconduct of the City of Danville, its officers, employees or agents. Notwithstanding any provision of this Agreement, to the extent permitted by law and without waiving the City's sovereign immunity, neither the Grantor nor the Grantee shall be liable to the other for consequential, indirect, or punitive damages (including lost revenue, loss of equipment, interruption, loss of service, or loss of data) for any cause of action, whether in contract, tort, or otherwise, even if the City or Grantee was or should have been aware of the possibility of these damages, whether under theory of contract, tort (including negligence), strict liability, or otherwise.

Section 12. Hazardous Substances. In its performance of this Agreement, Grantee shall not transport, dispose of or release any hazardous substance, material, or waste, except as reasonably necessary to allow Grantee in performance of its work under this Agreement or to reliably provide its Wireless Services, and in any event Grantee shall comply with all federal, state, and local laws, rules, regulations, and ordinances controlling air, water, noise, solid wastes, and other pollution, and relating to the storage, transport, release, or disposal of hazardous material, substances or waste. Regardless of the City's acquiescence, Grantee shall indemnify and hold the City, its officers, agents, employees and volunteers harmless from all costs, claims, damages, causes of action, liabilities, fines or penalties, including reasonable attorney's fees, resulting from Grantee's violation of this Section and agrees to reimburse City for all costs and expenses incurred by the City in eliminating or remedying such violations. Grantee also agrees to reimburse the City and hold the City, its officers, agents, employees and volunteers harmless from any and all costs, expenses, attorney's fees and all penalties or civil judgments obtained against any of them as a result of Grantee's use or release of any hazardous substance or waste onto the ground, or into the water or air from, near or upon the City's premises. Grantee shall not be responsible for any condition, including the release of a hazardous material, substance or waste to the extent that such existed on the Effective Date of this Agreement or that otherwise did not result from Grantee's activities. For purposes of this Section, the following definitions shall apply:

"Hazardous Substances" means asbestos and any and all pollutants, dangerous

substances, toxic substances, hazardous wastes, hazardous materials and hazardous substances as referenced or defined in, or pursuant to, any federal, state, local or other applicable environmental law, statute, ordinance, rule, order, regulation or standard in effect on the date hereof including, without limitation, the Resource Conservation and Recovery Act (42 U.S.C. 6901, et seq.), as amended, the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. 135, et seq.), as amended, the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. 9601, et seq.), as amended, and the Toxic Substance Control Act (15 U.S.C. 2601, et seq.), as amended.

As used in this Section, “release” includes the placing, releasing, depositing, spilling, leaking, pumping, emitting, emptying, discharging, injecting, escaping, leaching, disposing or dumping of any substance.

Section 13. Applicability of State Law. (a) This Agreement covers existing Wireless Support Structures and the installation and maintenance of Small Cell Facilities on existing structures as provided in Chapter 15.1 of Title 56 of the Virginia Code, or its successor provisions. As of the effective date of this Agreement, the City does not permit attachment of any Small Cell Facility on Grantor Poles or other City-owned structures. If, during the term of this Agreement, the City of Danville allows third-party Small Cell Facility attachments to Grantor Poles or other City-owned structures, then the Grantee shall have the right request the installation or relocation of its Small Cell Facilities to Grantor Poles or other City-owned structures at Grantee’s expense, subject to City approval and execution of a separate support structure agreement between Grantee and the City, on terms and conditions satisfactory to the parties.

(b) In the event of any conflict between the terms of this Agreement and state law, state law shall at all times control.

Section 14. General provisions.

(a) Authority. Grantee warrants and represents that it has obtained all necessary and appropriate authority and approval from all applicable federal and state agencies or authorities to provide all Wireless Facilities and Wireless Services it intends to provide within the City, and upon request by the City will provide evidence of such authority.

(b) Other remedies. Nothing in this Agreement shall be construed as waiving or limiting any rights or remedies that the City or Grantee may have, at law or in equity, for enforcement of this Agreement.

(c) Severability. If any Section, subsection, sentence, clause, phrase, or other portion of this Agreement, or its application to any person, is, for any reason, declared invalid, in whole or in part by any court or agency of competent jurisdiction, said decision shall not affect the validity of the remaining portions hereof.

(d) Nonenforcement. Neither party shall be excused from complying with any of the provisions of this Agreement by any failure of the other party, upon any one or more occasions, to insist upon strict performance of this Agreement or to seek the other party’s compliance with

any one or more of such terms or conditions of this Agreement.

(e) Conflicts of law. If there is a conflict between the provisions of this Agreement and any law, whether federal, state, or City, including all future laws and ordinances, the law and conflicting Agreement provision will, to the extent reasonably possible, be construed so as to be consistent with each other and if such construction is not reasonably possible, the conflicting provision of this Agreement shall be deemed superseded by such law and have no effect, notwithstanding the contract clause of the United States Constitution.

(f) Controlling law and venue. By virtue of entering into this Agreement, Grantee agrees and submits itself to a court of competent jurisdiction in the City of Danville, Virginia or in the United States District Court for the Western District of Virginia, Roanoke Division, and further agrees that this Agreement is controlled by the laws of the Commonwealth of Virginia or any applicable federal laws and that all claims, disputes and other matters shall be decided only by such court according to the laws of the Commonwealth of Virginia or any applicable federal laws or by any regulatory body with jurisdiction, including the Federal Communications Commission.

(g) Captions. The Section captions and headings in this Agreement are for convenience and reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

(h) Nondiscrimination. During the performance of this Agreement, Grantee agrees that it will not discriminate against any employee or applicant for employment on the basis of race, religion, color, sex, handicap or national origin. Grantee agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause. Grantee in all solicitations or advertisements for employees placed by or on behalf of Grantee, will state that Grantee is an equal opportunity employer. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements herein. Grantee agrees to comply with the good faith minority business efforts required by the Danville City Code.

(i) Notices. (a) Notices given pursuant to this Agreement shall be in writing and addressed as follows:

To the City: City Manager
427 Patton St.
Danville, Virginia 24541

With a Copy to: City Attorney
427 Patton Street
Danville, Virginia 24541

To Grantee: Cellco Partnership
d/b/a Verizon Wireless
180 Washington Valley Road

Bedminster, New Jersey 07921
Attn: Network Real Estate

With a Copy to:

Williams Mullen
Attn: Stephen R. Romine
222 Central Park Avenue
Suite 1700
Virginia Beach, Virginia 23462

(b) Either party may change the address at which it will receive notices by providing written notice of the change to the other party.

[SIGNATURE PAGES FOLLOWS.]

IN WITNESS WHEREOF the Parties have each caused this Agreement to be executed and delivered by a duly authorized representative as of the date first above written.

CITY OF DANVILLE, VIRGINIA

By: Ken Larking
Title: City Manager

Attest:

City Clerk

COMMONWEALTH OF VIRGINIA
CITY OF DANVILLE, to-wit:

The foregoing instrument was acknowledged before me this _____ day of _____, 2020 by Ken Larking, City M a n a g e r of the City of Danville.

Notary Public

My commission expires: _____

My commission number: _____

Approved as to Content:

Director of Public Works

Approved as to Form:

City Attorney

CELLCO PARTNERSHIP d/b/a
VERIZON WIRELESS

By:

Title:

COMMONWEALTH OF VIRGINIA
CITY / COUNTY OF _____, to-wit:

The foregoing instrument was acknowledged before me this _____ day of _____, 2020, by _____ of Cellco Partnership d/b/a Verizon Wireless on its behalf.

Notary Public

My commission expires: _____

My commission number: _____

EXHIBIT A

LICENSE ACCEPTANCE

Ordinance Number _____, adopted on _____ approved the terms and conditions of this Agreement and under the authority granted by Danville City Code Section 9.5-10(g), herein determine that any conflicting portions of Chapter 9.5 of the City Code may be dispensed with.

The City hereby acknowledges that all required bonds, letters of credit, certificates of insurance and other instruments required by this Agreement have been filed with and accepted and approved by the City.

The Parties agree that the Commencement Date of this Agreement shall be _____, 20_____

CITY OF DANVILLE, VIRGINIA

By: _____
Title: City Manager

**CELLCO PARTNERSHIP
d/b/a VERIZON WIRELESS**

By: _____

Title: _____

Council Letter

City of Danville, Virginia



CL-2403

Work Session D.

Work Session Meeting

Meeting Date: 09/15/2020

Subject: Review of RFP for Police Station

From: Scott Booth, Police Chief

COUNCIL ACTION

Work Session: 09/15/2020

SUMMARY

The City received three proposals for lease / option to purchase of a building to serve as the new Police Department Headquarters. The winning bid was able to provide the most cost-effective option that also happens to best meet the needs of the department. The proposal can be described as follows:

It will be located at the former Dan River Mills executive office building located at 2291 Memorial Drive. There will be a combination of historic restoration of the existing building and new construction. The total cost is expected to be \$17 million, which will be financed. In order to capture the best price for the City, the following structure is needed:

1. The developer plans to use historic tax credits to lower the cost of the renovation of the existing building. This property will be subdivided from the rest of the property and the plan is to lease that portion for a period of fifteen years with a First Right of Refusal on the property beginning in the eighth year of the lease. The lease payment for this portion of the project will be \$965,091.48 per year. Due to the requirements of the Federal Historic Tax program, the property has to be owned by the developer for at least five years.
2. The developer will build an additional building adjacent to the existing building on a separate lot for \$8,000,000. The developer will owner-finance the cost of construction under the following terms: \$2.9 million upfront payment toward specific tenant up-fits and \$546,885.12 per year for seven years with a \$2,798,299.08 balloon payment on the first day of year eight.

Should the casino referendum pass, the City will use \$5,924,000 from the initial \$20 million payment from Caesars to pay towards specific tenant up-fits for the new construction and to set aside two years of lease payments. After the initial two years, the City will use gaming tax revenue proceeds to pay lease/purchase payments.

Should the referendum fail, the structure of this agreement will likely change and the City Council would need to determine whether it is willing to raise taxes to cover the cost.

BACKGROUND

After years of minor construction efforts to the existing police space and expanding police functions to other parts of the Municipal Building, public library spaces, and the Green Street Recreational building, the need for a new police facility was introduced to City Council during the Fiscal Year 2014 budget process. A budget placeholder of \$16 million was entered for the FY 2019 Budget to construct a new facility or renovate an existing structure to meet the space needs of the Department.

In 2016, the City funded a city-wide space study that identified a police facility as the number one City space need. In 2018, a second space study was funded to specifically identify and define the space needs of the Police Department.

In 2019, the City enlisted the services of Dewberry Engineering Consultants to identify and evaluate possible sites within the city for a new police facility. Ten sites were identified, evaluated and presented to the City for consideration.

In May 2020, the City issued an RFP inviting qualified developers to respond to a Request for Proposals (RFP) concerning the construction of a new or renovation of an existing structure to lease to the City of Danville, with an option to purchase, to serve as a new Police facility.

Three entities responded to the RFP as listed below:

Company	Company Location	Proposed Est. Cost	Proposed Site Location
Blair Construction	Gretna, VA	\$17,750,000	Dan River Mills Corporate Building
HBA Architecture & Interior Design, Inc.	Virginia Beach, VA	\$25,000,000	Site not identified
FD Stonewater	Arlington, VA	\$28,149,738	Former Danville Toyota site

After careful review of the RFP responses, the Blair Construction bid was selected to begin term negotiations for development and leasing.

RECOMMENDATION

Staff recommends the approval of both agreements under the condition that all obligations outlined in these documents are contingent upon the passage of the casino vote referendum on Tuesday, November 3, 2020.

Attachments

No file(s) attached.
