

AT A REGULAR MEETING OF THE BOARD OF SUPERVISORS OF ROCKBRIDGE COUNTY VIRGINIA, HELD IN THE COUNTY ADMINISTRATION BUILDING LOCATED AT 150 SOUTH MAIN STREET LEXINGTON, VIRGINIA ON MONDAY, JANUARY 12, 2009 AT 6:00 P.M.

PRESENT: CHAIRMAN C.R. COMSTOCK
SUPERVISORS: R.H. RIEGEL, R.S. FORD, A.W. LEWIS, JR., M.R. SMITH
BOARD CLERK: CLAIRE A. COLLINS
FISCAL DIRECTOR: ROBERT E. CLAYTOR
COUNTY ATTORNEY: VICKIE L. HUFFMAN
STAFF: SAM CRICKENBERGER, CHRIS SLAYDON, ROBERT FORESMAN, CAROL HINES, DAVID WHITESELL

Call to Order, Invocation, and Pledge of Allegiance

Chairman Comstock called the meeting to order, Supervisor Lewis gave the invocation and led in the Pledge of Allegiance.

Election of Chairman and Vice-Chairman

Supervisor Lewis motioned to nominate Supervisor Riegel as Chairman and Supervisor Smith as Vice-Chairman for 2009. Supervisor Ford provided the second. The recorded vote follows:

AYES: Lewis, Ford, Comstock
ABSTAIN: Riegel, Smith
NAYES: None
ABSENT: None

Supervisor Comstock was thanked and applauded for his service as Chairman for 2008.

Item(s) to be Added to Agenda

Supervisor Smith added to the agenda a discussion the disposal of agricultural tires.

Citizens' Comments

Chairman Riegel called for citizen comment. Mr. Orie Vest, Natural Bridge District, commented on recycling in the County. He stated that on a recent visit to the landfill he noted recyclable material in the landfill waiting to be covered up. Mr. Vest briefed the Board on the meeting he had with the County Administrator and the Recycling Coordinator. Ms. Collins relayed to the Board that after investigating she found some glass had been admitted to the landfill due to a communication mix-up among staff on whether glass was being accepted as recyclable material. Staff is continuing to address this matter and will take appropriate action as needed.

Mr. Bernard Goodbar, Kerrs Creek District and President of Rockbridge Farm Bureau, stated the Bureau Board has three members currently serving on the Committee charged with researching alternative ways of disposal of agricultural solid waste. The Committee is finding that surrounding localities are not consistent in their method of disposal. Mr. Goodbar gave his

opinion that increased taxes on the agricultural groups could force them out of existence and agricultural recycling of materials, such as metal, is not cost effective for this particular sector. He asked the Board to seek alternatives for trash disposal; for example, burning trash to generate electricity.

Schedule 2009 Meetings

Supervisor Lewis recommended keeping the second meeting in December (which falls on the 28th) as scheduled rather than omitting. The Board will determine at its first meeting in December whether workload warrants a second meeting. The Board discussed meeting times for the upcoming year. Public hearings will still be held at 7:00 p.m. and if the scheduled meeting falls on a holiday, the Board will meet the following day. Supervisor Smith motioned to amend the schedule with the Board meeting to begin at 3:00 p.m. for the first meeting of the month (second Monday) and at 6:00 p.m. for the second meeting of the month (fourth Monday). Supervisor Ford provided the second and the recorded vote follows:

AYES: Comstock, Ford, Lewis, Smith, Riegel
NAYES: None
ABSENT: None

The new schedule will be enacted in February subject to the availability of the courtroom.

Staff Recognitions

Ms. Collins congratulated Mr. Claytor for being elected President of the Virginia Local Government Finance Corporation (VLGFC) by its Board of Directors. She also recognized Mr. Robert Foresman as being named 2008 Government Employee of the Year by the Chamber of Commerce.

Financial Report

Mr. Claytor presented his report to the Board. Actual revenues and expenditures were compared to those estimated by a chart which Mr. Claytor explained the components and indicated where the County stood relative to projections. There were no questions from the Board concerning the December activities of both the Commissioner of the Revenue and Treasurer's Offices. Relative to the bills presented for approval, Supervisor Smith noted he no longer needed to be reimbursed for fax services. In response to a question from Supervisor Smith, Mr. Claytor explained the reimbursements to various area fire and rescue squads, as a result of the recent fire at Howard Johnson's Motel. Supervisor Lewis questioned the payments to VACORP associated with the Natural Bridge property. Mr. Claytor responded one payment is for the pro-rated annual property insurance premium and the other is for liability insurance associated with the property. Supervisor Comstock sparked a brief Board discussion if the County would separate the gymnasium from the other buildings, thus establishing a separate line item. The issue will be addressed in more detail during the budget process. In response to a question from Supervisor Lewis, Ms. Hines gave a brief overview of yearly uncollected tax amounts versus yearly uncollected Commonwealth reimbursements/income receivables. To answer a question from Supervisor Ford, Mr. Claytor stated fuel costs are lower than projected. Supervisor Comstock Mr. Claytor to provide the Board with fund balance restrictions prior to budget deliberations. Turning the Board's attention to the appropriations, Mr. Claytor asked for

inclusion of a payment to Treasurer of Virginia for \$452.03 (mandated 1.75% of what County received in building permit fees). Supervisor Smith motioned to approve the appropriation resolution and Supervisor Ford provided the second. The following was unanimously approved:

APPROPRIATION RESOLUTION

BE IT RESOLVED: By the Board of Supervisors of Rockbridge County, Virginia, that the following appropriation/s be, and the same hereby is made, for the period ending **June 30, 2009**, from the UNAPPROPRIATED SURPLUS of the **GENERAL FUND** and expended as follows:

4-11-12020-5504	County Administrator Travel.....	\$442.00
4-11-12020-5801	County Administrator Dues & Subs.....	\$764.00
4-11-21010-3602	Record Books & Microfilm (State Funds).	\$18,085.00
4-11-22010-7001	Purchase Equipment (CA Grant).....	\$2,276.00
4-11-32040-5404	Purchase of Foam.....	\$3,163.00
4-11-32080-3501	Reim. Fire & Rescue (HazMat).....	\$5,006.00
4-11-43045-5101	Electricity.....	\$413.00
4-11-43045-5104	Fuel for Heating.....	\$60.00
4-11-43045-5307	Property Insurance.....	\$1,745.00
4-11-43045-5308	Liability Insurance.....	\$196.00
4-11-71015-8002	PreSchool Facilities Rent.....	\$1,200.00
4-11-83020-3003	Cont. Services (Dow Chem Grant).....	\$2,500.00
Total General Fund		\$35,850.00

APPROPRIATION RESOLUTION

BE IT RESOLVED: By the Board of Supervisors of Rockbridge County, Virginia, that the following appropriation/s be, and the same hereby is made, for the period ending **June 30, 2009**, from the UNAPPROPRIATED SURPLUS of the **SOLID WASTE FUND LANDFILL** and expended as follows:

4-19-19040-3500	DEQ Gas Compliance.....	\$3,500.00
Total Solid Waste/Landfill		\$3,500.00

APPROPRIATION RESOLUTION

BE IT RESOLVED: By the Board of Supervisors of Rockbridge County, Virginia, that the following appropriation/S be, and the same hereby is made, for the period ending **June 30, 2009**, from the UNAPPROPRIATED SURPLUS of the **CONSTRUCTION FUND (COURTHOUSE)** and expended as follows:

4-72-80030-3001	Courtroom Technology Design.....	\$12,945.00
4-72-80030-3002	Design Fees.....	\$9,754.00
4-72-80030-3005	Interior Design.....	\$1,188.00

4-72-80030-3007 Advertising.....	\$741.00
4-72-80030-5003 Reimbursable.....	\$2,671.00
4-72-80030-5004 Special Inspections and Test.....	\$366.00
4-72-80030-6001 Contingency.....	\$14.00
4-72-80030-7001 Equipment, Furniture & Fixtures.....	\$164.00
4-72-80030-8002 General Construction Contract.....	\$704,707.00
4-72-80040-3002 Design Fees.....	\$1,328.00
4-72-80040-5003 Reimbursable Expenses.....	\$580.00
4-72-80040-5004 Special Inspections and Test.....	\$245.00
4-72-80040-8002 General Construction Contract.....	\$116,629.00

Total Construction Courthouse **\$851,332.00**

TOTAL APPROPRIATIONS ALL FUNDS **\$890,682.00**

Bills for Payment

Current County

General Fund	\$266,459.45
SWA/Landfill	
	\$24,773.40
SWA/Recycling	
	\$3,634.28
Construction (Courthouse)	\$851,329.52
Employee Benefit	
	\$35.51
Central Stores	
	\$1,432.50

Total County Bills

\$1,147,664.66

Current Fiscal Agent

Regional Jail	\$52,592.40
Partnership	
	\$2,557.80

Total Fiscal Agent

\$55,150.20

TOTAL ALL BILLS **\$1,202,814.86**

RECORDED VOTE:

AYES: Smith, Ford, Comstock, Lewis, Riegel

NAYS: None

ABSENT DURING VOTE: None

ABSENT DURING MEETING: None

Chairman

Attest: _____
County Administrator

Joint Services Agreement

Ms. Huffman stated the Board received, in their packet, the final draft of this agreement which would be for a term of ten years. She briefly described the provisions of each section. Ms. Huffman noted the provisions for Fire and First Aid Control are interim (applying only to fiscal years 2009, 2010 and 2011). Mr. Claytor also noted the proposed agreement had previously been approved by Lexington City Council in December 2008. Supervisor Ford inquired how gifts to Lexington Fire and Rescue Squads would be viewed if these funds (gifts) were used for the operation of such squad. Ms. Huffman responded gifts were not discussed in negotiations therefore no provisions were made. There was some discussion whether gifts would be considered revenue generated by the squad thus qualifying as operating costs. Mr. Claytor stated the monies in question would not be covered under the joint services agreement. Changes to the agreement during the next three years (for example, gifts being treated as operating costs) would have to be approved by both localities. After commending both localities on being able to compromise to establish the joint agreement, Supervisor Comstock motioned to approve the Joint Services Agreement and Supervisor Lewis provided the second. Supervisor Lewis publicly thanked the members of the Regional Fire and Rescue Committee that were present on their cooperation and future participation. Supervisor Smith sparked a brief discussion on the method for both localities recording the number of calls answered. Chairman Riegel asked for and obtained clarification where capital costs were defined in the agreement. The agreement and recorded vote follows:

JOINT SERVICES AGREEMENT

THIS AGREEMENT, by and between the MAYOR and COUNCIL of and for the CITY OF LEXINGTON, Virginia, hereinafter called "City", and the BOARD OF SUPERVISORS OF ROCKBRIDGE COUNTY, Virginia, hereinafter called "County".

WITNESSETH

That for and in consideration of the mutual covenants, agreements, conditions, and benefits as set forth herein, the parties hereto do enter into this Agreement.

EFFECTIVE DATE

The effective date of this Agreement shall be January 1, 2009. Except as may be specifically provided herein, this agreement shall supersede all prior agreements, or amendments thereto, dealing with the same subject matter.

TERM

The term of this agreement will be for a period of ten (10) years, unless otherwise specified herein. At the expiration of nine (9) years, either the City or the County may request negotiation of any portion of the contract or notify the other in writing of its desire to terminate. If there is a termination, this contract will continue under existing terms and provisions for an additional period of two (2) years. *i.e.* until December 31, 2020, to permit each party to make other arrangements for services. Should there be no request for negotiation or termination at the expiration of (9) years, this contract automatically will be extended for an additional ten (10) year period with the same provisions for negotiation and termination at the expiration of nineteen (19) years from the original effective date of the contract.

PURPOSE AND INTENT

The purpose and intent of this Agreement is to create and establish the following:

1. A binding contractual agreement between and among the parties hereto to the extent that the terms and provisions herein may be applicable to each.
2. To provide for the sharing of annual operating costs of those joint services as set forth herein and no others.
3. To eliminate and disregard as an element of cost in each of the joint service areas covered herein computations, which include capital costs and depreciation on existing facilities.
4. To provide guaranteed allocations of space and/or usage of existing facilities where applicable.
5. To exclude from consideration currently nonexistent facilities and services and those not specifically covered in this contract.
6. To define capital costs and operating costs.

CAPITAL COSTS

Capital costs and depreciation applied thereto shall include improvements other than routine maintenance to land, buildings, structures, installations of a permanent nature and purchase or replacement of motor vehicles, office machinery, equipment and parts, any of the above of which have a useful life under ordinary circumstances of a period in excess of one (1) year, and a cost which exceeds \$5,000. A capital cost increase may occur if recommended by the City or County Auditor and mutually agreed upon by the County and City and made part of this agreement.

OPERATING COSTS

Operating cost as used herein shall mean net operating cost in each area of service, excluding from gross operating cost any income from Federal and State reimbursement, per diem reimbursements, and any other reimbursements from any source as applicable to the individual departments covered by this contract. Any revenues generated by or associated with the operations of the service shall be subtracted from the total of the eligible expenses prior to allocation of a percentage of the operating costs to the parties.

Operating costs include only those costs that can be identified specifically with a particular function or cost objective. Excluded are indirect costs unless a direct relationship can be shown and clearly identifiable records can be easily maintained. Indirect costs are those incurred for a common joint purpose benefiting more than one cost objective, and not readily assignable to the cost objective specifically benefited without effort disproportionate to the results achieved.

Any income to be applied to arrive at net operating cost shall include only such income from Federal and State reimbursed payments, per diem, etc., that is restricted to specific purposes. It shall not include income for which the City or County may use at its discretion such as revenue sharing and similar grants.

In computing operating costs, no new capital costs or depreciation shall be considered. Operating costs will include, where applicable, the following expenditures:

1. Wages and salaries, including Employer's Social Security contributions, Workers' Compensation, unemployment contributions, if any, and fringe benefits paid by the employer.

2. Administrative costs, not chargeable under any other section. Only those administrative costs, which meet the requirements of direct costs, or indirect costs readily assignable, should be included.

3. Insurance, including, but not necessarily limited to, fire, windstorm and other casualty, and all categories of liability insurance.
4. Maintenance and replacement of items and capital equipment existing at the time of this agreement and used exclusively for the defined joint operations. Expenditures for new equipment or other new capital items shall be agreed to by the parties prior to purchase.
5. Utilities, including, but not limited to, electrical, gas, water and sewage treatment.
6. Equipment and equipment leasing.
7. Supplies.
8. Alterations, excluding expansion of facilities, where such alterations are made necessary because of the participation of the party charged.
9. Any other expenses not classified as a capital expenditure.

COST SHARE CALCULATION AND PAYMENT

Unless otherwise stated herein, the cost share calculation shall be made yearly using the previous year audited financial records. The applicable cost share percentage shall be calculated yearly based on the latest provisional population data from the Weldon Cooper Center for Public Service or the census data when available every 10 years. The cost share shall be based on the City and County population proportion compared to the aggregated population of both.

Unless otherwise stated herein, the cost share payment shall be calculated, to the nearest one-tenth of a percent, when audited financial information is available, billed and paid no later than the first working day of January each year.

AGREEMENT

The City and County agree to the sharing of costs, as defined herein, for joint services in each of the following categories or areas:

CLERK OF CIRCUIT COURT

(Recording of Documents)

City will pay County its share of operating costs as detailed in the annual County Audit Report.

CIRCUIT COURT

(Administration of Justice)

City will pay County its share of operating costs as detailed in the annual County Audit Report.

GENERAL DISTRICT COURT & CLERK'S OFFICE

(Administration of Justice)

City will pay County its share of operating costs as detailed in the annual County Audit Report.

JUVENILE AND DOMESTIC RELATIONS COURT & CLERK'S OFFICE

(Administration of Justice)

City will pay County its share of operating costs as detailed in the annual County Audit Report.

COURT SERVICES

(Administration of Justice)

City will pay County its share of operating costs of the 25th District Court Services Unit for Juvenile Probation and Unit for Adult Probation as detailed in the annual County Audit Report.

COMMONWEALTH ATTORNEY

(Administration of Justice)

City will pay County its share of operating costs as detailed in the annual County Audit Report. Any grant positions such as the Victim/Witness Coordinator shall be considered separately and not part of this agreement. Funding for these positions and services shall be by separate agreement between the City and County and any other participating parties. The grant position operating cost shall be shown separately in the County's budget and audit.

SHERIFF

(Crime Prevention and Detection)

City will pay County its share of the Sheriff's salary, including Employer's Social Security contributions, Workers' Compensation, unemployment contributions, if any, and fringe benefits paid by the employer, as detailed in the annual County Audit Report.

ROCKBRIDGE COUNTY COURTHOUSE SECURITY

(Security for Administration of Justice)

City and County will share operating costs of Court Security. County will bill City its share of operating costs on a monthly basis. City will pay County within thirty days of receipt of the bill. The annual County Audit Report will be the basis for any adjustments required at the end of each Fiscal Year.

AGRICULTURE AND HOME AGENTS

(Advancement of Agriculture, and Home Economics)

City will pay County its share of operating costs as detailed in the annual County Audit Report, with the total cost being apportioned between the parties at fifteen percent (15%) to the City and eighty-five percent (85%) to the County.

MAINTENANCE OF BUILDINGS AND GROUNDS

County Administrative Offices, 150 South Main Street, Lexington, VA

City will pay County its share of operating costs based on a formula, which will establish annually a ratio of floor space of jointly operated offices as such floor space bears to the total floor space of all County offices, excluding the area occupied by the agricultural and home agents. This ratio will be applied to the operating costs of all County offices as shown in the annual County Audit Report and this ratio cost will be apportioned to the City and County on the basis of the proportion that the population of each bears to the aggregate population of both. Maintenance costs for the area occupied by the agricultural and home agents shall be apportioned between the City and County fifteen percent (15%) and eighty-five percent (85%), respectively, of the total area occupied by this particular office.

Maintenance costs for the area used for public meetings (old courtroom) shall be apportioned between the parties 1/5 to the City and 4/5 to the County.

Rockbridge County Courthouse, Corner of Randolph and Nelson Street, Lexington, VA
City shall pay County its share of operations and maintenance cost as detailed in the Annual County Audit Report.

Parking Garage Adjacent to County Courthouse

County shall pay City its share of the operations and maintenance cost as detailed in the Annual City Audit Report. The cost share of the County will be 9.9% of the total cost, which represents the County's share of the percentage of the parking spaces reserved for court personnel to the total parking spaces in the parking deck.

FIRE AND FIRST AID CONTROL

(Fire Prevention, Rescue and Safety Services)

The County shall reimburse the City for all eligible expenses of the Lexington Fire Department (LFD) and Lexington Lifesaving and First Aid Crew (LLSC) based on the percentage of emergency calls responded to by each into Rockbridge County compared to the total number of calls responded to by each department. Any calls responded to by a department or squad from the County into the City shall be deducted from the total calls responded into Rockbridge County. Such reimbursement shall be made in the following year, by January 1, based on the expenses as certified in the annual audit of the City.

Eligible expenses for Fire and Rescue shall be defined as all direct operating costs, excluding personnel, capital costs and capital replacement costs. For purposes of this section, equipment leasing of any capital items shall not be deemed an operating cost. An emergency call shall be defined as a call for service for either department, as dispatched by the Rockbridge Regional Communications Center, whereby a vehicle actually left the department's building, and shall be calculated based on the call sheets produced by the Center. The City shall record all calls of the LFD and LLSC and the County shall record all calls from County departments into the City. Such records shall be kept by each party for one year, subject to verification by the other.

In any event, the County shall not be responsible for payment of an amount for either department that is greater than the FY2008 payment (\$108,750.04 for Fire and \$110,959.68 for Rescue) as adjusted by the percentage increase granted each year to the pool of funds allocated to the

County fire and rescue agencies. Such figures shall be certified each year by the County upon adoption of their budget.

The provisions of this section shall apply to fiscal years 2009, 2010 and 2011, and shall automatically terminate thereafter.

RECREATION

The City and County will share operating costs of the Rockbridge Area Recreation Organization (RARO) based on the residence of the participants of the various programs offered. Operating costs will be net of any revenues received to support such programs. For each major program area the operating costs will be direct costs attributable to each program and participation for such program. For costs that cannot be directly attributable to a program, the allocation will be based on the participation rate for all programs. Such costs will be detailed in the annual City Audit Report with the participant residence totals kept by RARO, and the County will pay its share of operating costs on a monthly basis. The County will pay the City within thirty days of receipt of the bill. The annual County Audit Report will be the basis for any adjustments required at the end of each Fiscal Year.

Apportionment of contribution for operating costs shall apply to those organized activities operated by RARO for instructional purposes, for youth and adult programs, with the specific provision that fees may be charged for adult programs and for youth programs when specialized instruction, equipment, materials and/or travel costs are involved. The grant of authority to charge fees is expressly conditioned upon RARO's development and implementation of a fee-based scholarship or special needs policy. Apportionment shall be adjusted pro-rata according to fees received.

Operating costs for the Indoor Pool will not be included as RARO operating costs and will be separately accounted for with pool revenues used to cover such costs. The County and City will each contribute an amount for operations not to exceed \$7,500 annually. In the event that these funds are not needed to cover operating expenses, RARO will account for and maintain these funds for future operating shortfalls and/or equipment replacement costs.

SEVERABILITY

This Agreement supersedes all prior agreements between and/or among the parties hereto dealing with the same subject matter as set forth herein; provided, however, that the parties acknowledge and agree that Section 4.00 – Emergency Water Supply as set forth in an agreement entitled

“Amendments to Joint Services Contracts”, dated November 1, 1986, is the subject of a declaratory judgment action styled City of Lexington v. County of Rockbridge, Case No. CL08000233-00. Said Section 4.00 shall be governed by the interpretation of the court and final decision in such case, including any appeals or decisions on remand, and the provisions of this agreement are not intended to have any impact either way on Section 4.00.

Any portion of this Contract, which may be declared invalid by any court of record or become so by operation of law, shall not invalidate the remaining provisions, which shall remain in full force and effect.

APPROVAL

The terms and provisions of this Agreement were approved by the parties hereto as follows: Execution of this Agreement was authorized on the said dates of approval of each party by the City Manager, Mayor, and Clerk of the Council of the City of Lexington and the Chairperson and the Clerk of the Board of Supervisors for Rockbridge County.

WITNESS the following signatures and seals:

Date of Approval: December 23, 2008

MAYOR and COUNCIL of and for the
CITY OF LEXINGTON, Virginia

By: _____
Mayor

By: _____
City Manager

ATTEST:

Clerk

Date of Approval: January 12, 2009

BOARD OF SUPERVISORS OF
ROCKBRIDGE COUNTY, Virginia

By: _____
Chairman

ATTEST:

Clerk

Recorded Vote:

AYES: Comstock, Ford, Lewis, Smith, Riegel
NAYES: None
ABSENT: None

Proposed VACo Resolution

Supervisor Lewis briefly described the concept behind the request from VACo and recommended adoption of proposed resolution. Ms. Collins offered insertion of another whereas clause and recommended a cover letter accompany the resolution providing specific impacts Rockbridge County will face because of the budget shortfall and unfunded (as well as under funded) federal/state mandates. The Board made various language changes to the resolution and addressed issues to be included in the accompanying cover letter. Hearing no further discussion, Supervisor Ford motioned to approve sending to local government representatives the resolution as amended with cover letter attachment outlining specific items discussed by the Board. Supervisor Comstock provided the second. The resolution and recorded vote follows:

Resolution Regarding Virginia's FY 2009-2010 Budget Shortfall

Whereas, Rockbridge County is committed to ensuring fiscal sustainability at the local and state levels of government because fiscal sustainability enables the Commonwealth and its local governments to provide high quality, cost effective, core public services that benefit Virginians today and for generations to come; and

Whereas, the current difficult economic and financial times require government, at all levels, to evaluate service delivery responsibilities and to determine the continued importance of programs meeting critical needs; and

Whereas, the Commonwealth must resolve an estimated 2009 and 2010 biennial revenue shortfall approaching \$3 billion that may in fact continue to escalate in the near term; and

Whereas, Rockbridge County must resolve significant combined local and state revenue shortfalls for these periods as well; and

Whereas, the Commonwealth's General Fund supports most critical core government services including public education, health and human resources, including the Comprehensive

Services Act, public safety, natural resources and environmental services by dedicating almost 50 percent of the state's General Fund to local governments (with 74 percent of this funding supporting K-12 public education); and

Whereas, if one level of government establishes and ensures a priority, it is then incumbent upon that level of government to adequately fund the services necessary to meet that priority; and

Whereas, the current economic environment threatens the sustainability of these critical core public services if the Commonwealth is required to reduce its contribution to the financial partnership between the state and its local governments including Rockbridge County; and

Whereas, specific and necessary state budget reductions may impact a wide array of core public services, including but not limited to public education, the Comprehensive Service Act, and public safety, and many local governments, including Rockbridge County, will absorb significant state reductions in 2009 and may or will be compelled to increase local taxes and fees to help ensure the continuation of vital core public services; and

Whereas, in addition to budget reductions, mandates without funding originate at the federal level passed to the state to pass to localities for which no relief is provided resulting in the need for the state to seek relief from the federal level in implementing unfunded mandates; and

Whereas, Rockbridge County stands ready to partner with the Commonwealth to make the difficult budgetary decisions required, including thoroughly evaluating programs and working together to maintain a structural balance between revenues and expenditures that promotes the long-term viability of our Commonwealth.

Now, therefore, be it resolved that the Board of Supervisors of Rockbridge County respectfully offers the following budget and revenue recommendations for the 2009 legislative session to the Governor and Virginia General Assembly including Rockbridge County's Delegate and Senators:

- Budget and appropriate sufficient withdrawals from the state's Revenue Stabilization Fund ("Rainy Day Fund") to help offset necessary state budget reductions. Global and national financial markets are imbalanced; consequently, Virginia is one of many states facing a significant state revenue shortfall. The Commonwealth is required to replenish the Fund when economic conditions improve, and Rockbridge County supports recapitalizing the Fund in better economic times.
- Before budgeting and appropriating necessary state budget reductions, revisit recent state tax exemptions. Since the late 1990s the state has enacted more than \$1.8 billion in net biennial tax reductions and specific General Fund transfers.
- Oppose the enactment of new unfunded and under-funded state mandates that will impose new costs on local governments. Additionally, consider repealing specific, unfunded and under-funded state mandates. In the area of public education, the Governor and Virginia General Assembly should consider providing localities and school districts maximum flexibility to i) suspend specific mandates and ii) manage specific public education reductions.
- Request review of unfunded federal mandates and seek relief from the federal level in implementing existing unfunded mandates to reduce the financial burden the mandates have on state and local government.

- Enact a law authorizing equal taxing authority for counties. Counties should be enabled, like cities and towns, to institute specific taxes, including a meals tax without a referendum. The new sources of revenue would be tailored to the needs of a jurisdiction and could help local governments protect adequate funding for the core government services including K-12 public education, and reduce county dependence on property taxes.
- Consider additional possibilities for mitigating the impact of state cuts on local governments. Local governments will have to make significant cuts in services because of flat or decreasing real estate revenues. Permit local governments, at their option, to implement a one-half percent increase in the sales tax as a way to minimize the potential burden passed on to homeowners through increased real property taxes.

Furthermore, Rockbridge County offers these recommendations in the spirit of compromise and partnership to the Governor, Virginia General Assembly including Rockbridge County’s Delegate and Senators and Congressional delegation.

Resolved this 12th day of January, 2009

Clerk

Chairman, Board of Supervisors

AYES: Comstock, Ford, Lewis, Smith, Riegel

NAYES: None

ABSENT: None

County Treasurer’s Request for Staffing Based on Workload

Ms. Hines explained the request from her office. She noted County tax collection is up and reminded the Board her office is responsible for collection; thus justifying the request for another employee. As an additional reminder, Ms. Hines stated funds have already been appropriated (to date, for sixty days) for a part-time staff member. Mr. Claytor provided the details on the funds available in the Treasurer’s Office budget. He reminded the Board, funds in the current budget cannot be de-appropriated. Ms. Hines will proceed in the process for obtaining a temporary staff person.

Presentation of Solid Waste Proposal

Mr. Charlie Williams (Roanoke lawyer) delivered the PowerPoint presentation on the conceptual proposal. The proposal calls for a joint venture among three area businesses – Auto Recyclers, C&S Disposal and Hamilton Contracting, Inc (all currently in the waste business). Mr. Williams indicated if the Board was interested in this concept, there is a specific site in mind and DEQ is aware (and has written a permit for a materials recycling facility) of conceptual proposal. The general concept is to build, permit and operate a solid waste transfer station and materials recovery facility (MRF). The proposal calls for the collection of trash at the current County green box locations and convenient centers. The trash will be short hauled from these locations and taken to the facility and those materials that are not recyclable would be long

hauled to a permitted solid waste landfill. The proposed site is off of Route 60, east of the City of Buena Vista. The area is zoned appropriately and within five miles of the I-81 interchange. Mr. Williams stated the site would have no current residential impact. Recyclable material would be taken to Auto Recyclers and processed. Mr. Williams described the schematic outlay of the site. In response to a question from Supervisor Lewis, the grinding of the material will occur at the proposed transfer station and MRF. Mr. Williams addressed energy recovery possibilities for the future and his opinion that prices for recyclable material will rise. It is anticipated the facility will not have to be redesigned in the near future. Mr. Williams stated outsourcing of these services could actually increase number of individuals being hired. He added the facility will be LEED (Leadership in Environmental Energy Design) certified MRF (the first in Virginia). Cash rebates could be considered by the parties in the future to encourage recycling by the area citizens. Mr. Williams then discussed how the MRF would accommodate special waste items such as tires, batteries, and mercury. Permitting requirements for a MRF include housekeeping, material management and daily cleaning. The State requires financial assurance for permitting and the County can require performance bonds which the companies involved in the proposal are aware of and will concur. Mr. Williams concluded by stating his opinion that privatization of the proposed services could render a cost saving for the County. He referred any questions the Board had to the three business owners present. Supervisor Comstock questioned the proposed square footage and Mr. Paul Palma, Auto Recyclers owner, responded the increase is due to a MRF being proposed without a bailer as opposed to just a trash transfer station. Chairman Riegel asked for and obtained how the proposal calls for handling/disposing farm waste materials. Mr. Palma stated his assumption the material would fall under composting permitting regulations. A brief discussion followed on specific types of farm waste materials (such as plastic wrap used by farmers and large farm animal carcasses) and how the MRF would accommodate/manage disposal. Municipal solid waste (sludge) disposal was also addressed. It was clarified that all composts could be marketed. The Board thanked everyone involved for the conceptual proposal presentation.

Proposed Work Program for Solid Waste

Ms. Collins led the Board through the work program. The County Management Team met on December 29, 2008 to review, analyze and discuss the Rockbridge Zero Waste (RZW) committee's recommendations presented to the Board on December 8, 2008. To address the RZW recommendations, the team recognized the need for establishing a work program with goals, assignment of responsibility and plan of work. Ms. Collins went over the proposal and costs involved. Ms. Collins stated the proposed work plan is subject to change and be revised based on conditions and circumstances that may arise or proposals that may be received by the Board from a RFP. In response to a question from Supervisor Comstock, Ms. Collins explained the costs for future collection sites construction does not include land acquisitions, only development. Supervisor Lewis emphasized that public outreach and education is crucial to the zero waste conception and was skeptical about the proposed June 2009 deadline for closing some green box sites. He added the Walkers Creek District was left out of the possible convenient center future sites. Supervisor Smith reemphasized citizens must be involved through outreach by the County in the selection of future sites that best fit their needs. The Board discussed their shift in thinking about the County building a facility to address its solid waste/recycling needs to considering a private/public partnership based on the County's service needs. Supervisor Ford stated considering a partnership could also free up County capital to get the suggested

collection/convenient centers operating sooner. The advantages of having a private/public partnership for services were explored. Ms. Huffman clarified the differences between PPEA and RFP procurement processes. After some discussion, Supervisor Comstock motioned to suspend previous Board action to proceed with design/build construction of a trash transfer center at the landfill and Supervisor Smith provided the second. Assigning a specific number of days to the suspension was briefly discussed. Ms. Collins provided the timeline for a RFP request per Supervisor Smith's request. The recorded vote follows:

AYES: Comstock, Ford, Lewis, Smith, Riegel
NAYES: None
ABSENT: None

Supervisor Lewis expressed his past frustrations with the Board's progression on this issue but stated he was able to support this motion because an entirely new concept had developed that is worthy of exploration. He further added he feels the Board is responsibly moving forward with this matter.

Supervisor Ford motioned to direct Staff to proceed with RFP under VPPA – competitive negotiations for services including (but not limited to) collection, hauling, sorting and handling of solid waste to minimize waste and maximize recovery. Supervisor Smith provided the second. The recorded vote follows:

AYES: Comstock, Ford, Lewis, Smith, Riegel
NAYES: None
ABSENT: None

Solid Waste Timeline Discussion

This discussion was incorporated in prior agenda item. Supervisor Comstock stressed the Board emphasize that this procedure be a public process to collect as many competitive bids as possible.

Resolution Supporting Regional Agriculture Development Program

Supervisor Comstock gave the background on the development program. The proposed resolution is an endorsement of the concept of having a regional agricultural economic development program. Supervisor Comstock noted adoption of the resolution would not commit the County to membership or funding. After interest is gauged he said The Shenandoah Valley Partnership will report back to the localities with more specifics. Supervisor Comstock motioned to adopt the resolution and Supervisor Lewis provided the second. Supervisor Ford requested Mr. Goodbar, President of Farm Bureau, give his opinion on the proposed concept. Mr. Goodbar positively responded to the modeling concept and added there has been some discussion about exploring an area dairy processing plant. He further stated this resolution could be the first step in promoting agricultural development in the County. Hearing no further comment Chairman Riegel called for the vote and the recorded vote follows:

AYES: Comstock, Ford, Lewis, Smith, Riegel
NAYES: None
ABSENT: None

Appointments to Rockbridge Area Community Services Board

Ms. Collins announced the CSB had offered for reappointment, Ms. Suzy Jones and Mr. Paul Carter if so desired by the Board and that both are willing to continue to serve. Supervisor Smith motioned to reappointment both incumbents and Supervisor Ford provided the second. The recorded vote follows:

AYES: Comstock, Ford, Lewis, Smith, Riegel
NAYES: None
ABSENT: None

Supervisor Lewis made the motion to appoint Ms. Nancy Sullenberger to the CSB and Supervisor Smith provided the second. The Board discussed whether the State recommendation that five consumers of the services provided by the RACS be seated on the governing board had been met and it was determined compliance was not an issue.

AYES: Comstock, Ford, Lewis, Smith, Riegel
NAYES: None
ABSENT: None

The terms for the three appointments will expire December 31, 2011.

Reappointments to Farm and Preservation Committee

Mr. Crickenberger explained this Committee has not been required to meet since November 2006 and unfortunately the three year terms have expired. The Committee is scheduled to meet January 14th to review the Fancy Hill Ag/Forestral District and Mr. Crickenberger asked the Board to reauthorize the Committee's membership. He stated the Committee members were willing to continue their service. Supervisor Comstock motioned to reappoint the Farm and Preservation Committee members and Supervisor Ford provided the second. The following recorded vote follows:

AYES: Comstock, Ford, Lewis, Smith, Riegel
NAYES: None
ABSENT: None

The terms of appointment will be for three years.

Staff Reports

Discussion of Natural Bridge Dragstrip

Chairman Riegel stated the review of the conditions for the operation of the Natural Bridge Dragstrip will be on the agenda for the next scheduled Board meeting. Chairman Riegel sparked a discussion by the Board relative to the condition "Mufflers shall be required on all cars racing on Fridays". Mr. Crickenberger stated the Dragstrip will be presenting its schedule for the upcoming racing season and the owners will be present at the next meeting to address the Board's concerns and questions. The issue of enforcement of the conditions was raised by

Supervisor Smith and was briefly discussed amongst the Board members and staff. Mr. Crickenberger relayed to the Board his pleasure with trash management since the same entity was hired by both tracks for clean-up.

Committee Reports

Natural Bridge High School Gym Steering Committee

Mr. Rick Siler, Chairman of the Steering Committee, gave a status update to the Board. The Committee met twice in December 2008. The Committee held a walk-through during its last meeting and determined what needed to be repaired/cleaned. The outside doors leading to the Gym have been re-keyed and cannot be duplicated. Mr. Shawn Galloway, Committee Member, was also present to assist in the update. Mr. Siler stated the main concern is repair of the heating system. Ms. Collins stated the re-keying of the outside doors by Darrel Stadum, Locksmith and the repairing of the roof by Seaman & Sons General Contractor, Inc. were treated as emergency issues in which she authorized the work to be completed. Also Donald's Electric is diagnosing the heat situation which will also be treated as an emergency situation and an issue of public safety thus requiring immediate attention. Ms. Collins stated her intention of having the County Building Official tour the facilities to determine if code violations exist and she will keep the Board abreast of the inspection findings. Chairman Riegel added the Committee intends to develop sub-committees. Three anticipated sub-committees will be one to address necessary repairs, one to examine potential uses of the gym and one charged with communicating with the Disabilities Services Board with regard to their expressed interest in the Gym. Mr. Siler stated the Committee's interest in applying for grant funding and was advised of the proper procedures to follow. Mr. Siler and Mr. Galloway informed the Board there were several trees whose roots have shifted the concrete sidewalks up thus potentially causing a safety hazard. Ms. Collins stated the County Parks and Recreation Director, Mr. Wayne Nicely, was willing to offer his crew to address the situation with the trees. The Board thanked the Committee members for their presentation.

Jail Committee

Supervisor Comstock reported, during the most recent meeting, the prisoner counts for October and November 2008 were stated to be seventy-two. He added Jon Ellestad was re-elected Chairman. Supervisor Comstock announced the representatives from both Cities to serve on the Jail Negotiating Committee will be selected at the next meeting of the respective Councils. He concluded by stating there was discussion of modular design being accepted for jail expansions and what the saving would be if this route was taken.

Consent Agenda

Authorization to schedule Public Hearing on the matter of leasing property acquired by the County in connection with the South River Flood Mitigation Project

Ms. Huffman explained the history of the lease and asked the Board to authorize for public hearing. Supervisor Comstock stressed the property is "block one" in Midvale and the Board needed to make sure the permitted use of the property is appropriate. He asked Ms. Huffman to inform Mr. Clarke that what he sees across the street is not a model of how the property be used. Supervisor Comstock motion authorization for staff to advertise public hearing

by approving the consent agenda and Supervisor Lewis provided the second. The recorded vote follows:

AYES: Comstock, Ford, Lewis, Smith, Riegel
NAYES: None
ABSENT: None

Discussion of Tires

Supervisor Smith informed the Board of the farming community facing a problem with disposal of tires. The cost of disposal at the landfill is high therefore discouraging the community to dispose of the tires properly. Supervisor Smith suggested adding an additional tire amnesty day at the landfill or examine a re-use recycling program. He said there are tires at the landfill piled up that he could use on his wagons. This discussion will be added to the next agenda giving staff time to closely examine issue/suggestion and come back with a recommendation.

Adjourn/Continue

Hearing no further discussion, the meeting was continued until January 21st at 6:00 p.m. during which time the Board will hold a joint meeting with the School Board for budgetary and finance discussions.