

AT A CALLED MEETING OF THE ROCKBRIDGE COUNTY BOARD OF SUPERVISORS
HELD IN THE ROCKBRIDGE COUNTY ADMINISTRATIVE OFFICE BUILDING
AT 150 SOUTH MAIN STREET, LEXINGTON, VIRGINIA
ON MONDAY, FEBRUARY 12, 2018 AT 4:30 P.M.

BOARD MEMBERS PRESENT: DAVID W. HINTY, JR. (CHAIRMAN)
 JOHN M. HIGGINS (VICE-CHAIRMAN)
 RONNIE R. CAMPBELL
 DANIEL E. LYONS
 A.J. "JAY" LEWIS, II.

COUNTY ADMINISTRATOR
AND CLERK TO THE BOARD: SPENCER H. SUTER

COUNTY ATTORNEY: VICKIE L. HUFFMAN

CALLED TO ORDER:

Chairman Hinty called the Called Work Session to order at 4:31 p.m. He noted that the Board would receive annual evaluation forms for the County Administrator and County Attorney later in the evening.

Fire and Rescue Presentation/Discussion:

County Administrator Spencer Suter briefly reviewed his Board Report.

"Supervisor Higgins asked for an update last year's incentive payments that were to be distributed among the agencies based on how many calls were responded to.

Mr. Suter shared that Fire Chief Ramsey ran the numbers and it a projected \$90,000 be distributed in April out of the budgeted \$237,000."

Chief Nathan Ramsey provided supplemental handouts to the Board to include staffing recommendations and a copy of his PowerPoint presentation. He then reviewed the presentation which included current challenges and multiple phases of solutions to assist with those challenges.

During his presentation, Chief Ramsey received questions by the Board. Supervisor Lyons who asked how many paid staff are being considered as part of a solution. Chief Ramsey replied 18. Supervisor Lyons then asked if he felt that the positions could be filled. Chief Ramsey replied he did. Supervisor Lyons asked if the County had thought of providing training for interested Fire/EMS employees. Chief Ramsey replied, yes,

that this is a goal of his. Supervisor Lyons suggested working with the High School to set up a training program for seniors. Chief Ramsey agreed.

Supervisor Higgins asked if there would be any savings by not having to pay each department its allotment if paid staffing is approved. Mr. Suter replied that each department needs a certain amount of money to keep the buildings up and running. He also noted that departments raise funds for apparatus. He added that Chief Ramsey's proposal was presented to Chiefs and Captains in December.

Supervisor Campbell shared his concern that Glasgow has the same volunteers running all the calls and are getting burnt out. He stated that these individuals need one or two days off each week. He also suggested that, when hiring paid staff, the Board consider them being cross-trained in both Fire and EMS.

Supervisor Higgins asked if the County is willing to help another struggling department in the future.

Supervisor Campbell shared his opinion that the citizens in his district are not receiving the services they really need. He added that a third plan has been discussed and ultimately foresees all paid staff in the future.

Mr. Suter shared that each volunteer saves the County a tremendous amount of money and would hope that the County does not consider all paid staff.

Supervisor Lewis asked if there any positive steps the County could take to make volunteering easier and more exciting that could help draw in more volunteers.

Mr. Suter replied that some of the agencies have reported that it would be difficult to meet the need of responding to all calls even if there were incentives available.

Chief Ramsey reiterated from his presentation that the current service with LifeCare is for EMS coverage only. He stated that it would be beneficial for the County if members were trained hazmat and fire to assist to other calls related to hazmat etc. Chief Ramsey clarified that the idea of paid staff at certain agencies is not to replace the volunteers.

Supervisor Lyons asked if there would be a timeline for the Board of make a decision.

Mr. Suter replied, if a decision could be made, those costs would be added to the upcoming budget. Otherwise, it could be held off until a future decision is made.

Supervisor Higgins asked if there is money in the budget to reimburse agencies for using their equipment and for reimbursement of fuel costs.

Mr. Suter responded that this is covered by an additional contribution to their allotment.

Supervisor Higgins suggested that the Finance Committee take this under review first and possibly back to the Fire and Rescue Committee.

Supervisor Campbell requested in the near future that the Board consider hiring two (2) floaters to cover a couple nights at some of the departments to give a break to the volunteers who are always running on call.

Chairman Hinty asked how the County will track which calls are answered by paid staff and volunteers in that volunteers receive allotments.

Chief Ramsey stated that the calls could be tracked to see who responded.

AT A REGULAR MEETING OF THE ROCKBRIDGE COUNTY BOARD OF SUPERVISORS
HELD IN THE ROCKBRIDGE COUNTY ADMINISTRATIVE OFFICE BUILDING
AT 150 SOUTH MAIN STREET, LEXINGTON, VIRGINIA
ON MONDAY, FEBRUARY 12, 2018 AT 5:30 P.M.

BOARD MEMBERS PRESENT: DAVID W. HINTY, JR. (CHAIRMAN)
 JOHN M. HIGGINS (VICE-CHAIRMAN)
 RONNIE R. CAMPBELL
 DANIEL E. LYONS
 A.J. "JAY" LEWIS, II.

COUNTY ADMINISTRATOR
AND CLERK TO THE BOARD: SPENCER H. SUTER

COUNTY ATTORNEY: VICKIE L. HUFFMAN

CALLED TO ORDER:

Chairman Hinty called the meeting to order at 5:31 p.m. He stated that Supervisor Campbell would deliver the invocation for anyone who wished to participate.

Prayer and Pledge:

Per request, Supervisor Campbell delivered the invocation and led in the Pledge of Allegiance.

Recognitions and Presentations:

Chairman Hinty welcomed Washington and Lee's Journalism class who were present with Professor Douglas Cumming. Chairman Hinty stated that he would be available after the meeting to answer any questions the students may have.

Items to be added to the Agenda:

There were none.

Approval of the January 18, 2018 Joint School Board Minutes and the January 22, 2018 Minutes:

Supervisor Lewis moved to approve the Minutes with the following amendment: including himself to the Joint School Board Minutes instead of his father. Supervisor Higgins provided the second, and the motion carried by the following roll call vote:

AYES: Lewis, Higgins, Lyons, Campbell, Hinty
NAYES: None

ABSENT: None

ABSTAIN: None

Citizens Comments:

Tom Bundy of the South River Magisterial District commented on the prior Work Session sharing his concern about EMS staffing and the needs of the County. He encouraged the Board to spend the money to upgrade current services as there are not enough volunteers, and that the County should stay ahead of the need of staffing.

Consideration of the County Appropriation Resolution:

Finance Director Steven Bolster briefly reviewed his Monthly Memorandum to include activities for the month from the Commissioner of Revenue and the Treasurer along with informational items from his department and review of the Revenues Verses Expenditures Chart. Mr. Bolster presented the County's Appropriation Resolution and recommended approval as presented.

Supervisor Higgins moved to approve the County's Appropriation Resolution. Supervisor Campbell provided the second, and the motion carried by the following roll call vote:

AYES: Higgins, Campbell, Lyons, Lewis, Hinty

NAYES: None

ABSENT: None

ABSTAIN: None

**AT A REGULAR MEETING OF THE BOARD OF SUPERVISORS OF ROCKBRIDGE COUNTY,
VIRGINIA, HELD AT THE COUNTY ADMINISTRATIVE BUILDING,
150 SOUTH MAIN STREET, LEXINGTON, VIRGINIA,
ON MONDAY, FEBRUARY 12, 2018 AT 5:30 P.M.**

On motion by Supervisor _____, seconded by Supervisor _____, the Board, by record vote, adopted the following appropriation resolution and payment of bills for the month as follows:

APPROPRIATION RESOLUTION

GENERAL FUND:

BE IT RESOLVED: By the Board of Supervisors of Rockbridge County, Virginia, that the following appropriations are, and the same hereby is made, for the period ending June 30, 2018, from the UNAPPROPRIATED SURPLUS of the GENERAL FUND and expended as follows:

4-11-42030-3904 County Share-Landfill Ops.....	\$308,720.00
4-11-43080-5101 Electricity.....	\$15,000.00
4-11-91010-3006 Revenue Sharing Pmt-Lexington.....	\$4,260.00
Total General Fund Appropriations	\$327,980.00

Current County

11 - General Fund

\$500,797.26

94 - Central Stores	\$8,227.08
372 - Construction Project Fund	\$2,972.48
376 - Capital Purchases Fund	\$1,166.63
Total County Bills	\$513,163.45
Current Fiscal Agent	
80 - Regional Jail	\$103,763.81
241 - E-Summons Fees	\$1,827.05
721 - Comm Atty Forfeitures	\$400.00
Total Fiscal Agent	\$105,990.86
TOTAL ALL BILLS	\$619,154.31

Consideration of Greenhouse Village DHCD Contract:

Supervisor Campbell abstained from all voting and discussions related to the Greenhouse Village project, as his daughter was involved in preparing the grant.

Director of Community Development Sam Crickenberger stated that this contract was for Phase II of the project and is very similar to the contract previously approved by the Board for Phase I. He asked for the Board's approval for the County Administrator to execute the DHCD contract.

Supervisor Higgins moved to approve the DHCD Agreement. Supervisor Lyons provided the second, and the motion carried by the following roll call vote:

AYES: Higgins, Lyons, Lewis, Hinty
 NAYES: None
 ABSENT: None
 ABSTAIN: Campbell

Consideration of Greenhouse Village Engineering Contract:

Mr. Crickenberger requested approval of the Resolution awarding a contract to Perkins and Orrison for engineering services related to phase II of the Greenhouse Village project.

Supervisor Higgins moved to approve the resolution. Supervisor Lyons provided the second, and the motion carried by the following roll call vote:

AYES: Higgins, Lyons, Lewis, Hinty
 NAYES: None
 ABSENT: None
 ABSTAIN: Campbell

**AT A REGULAR MEETING OF THE BOARD OF SUPERVISORS OF ROCKBRIDGE COUNTY,
VIRGINIA, HELD AT THE ROCKBRIDGE COUNTY ADMINISTRATIVE OFFICES ON MONDAY,
FEBRUARY 12, 2018**

**RESOLUTION TO APPROVE AWARD OF A CONTRACT FOR ENGINEERING
SERVICES TO PERKINS & ORRISON, INC., IN CONNECTION WITH THE PHASE II
DESIGN FOR HABITAT'S GREENHOUSE VILLAGE PROJECT, WITH AN
AFFORDABLE HOUSING GRANT AWARDED TO THE COUNTY THROUGH THE
VIRGINIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT**

WHEREAS, the County of Rockbridge has received a Community Development Block Grant ("CDBG") planning grant, through the Virginia Department of Housing and Community Development ("VDHCD"), in an amount of up to \$476,693.00, in connection with an affordable housing project known as Greenhouse Village Housing Production Project - Phase II ("Greenhouse Village Phase II" or the "Project"), a significant portion of which is proposed to be developed by the Rockbridge Area Habitat For Humanity, Inc. ("Habitat"); and,

WHEREAS, the County issued a Request for Proposals seeking the services of a qualified consultant to provide site development and infrastructure plans, including final design and cost estimates, and to provide assistance in bidding and contracting services, construction administration services, and periodic inspection services, for Greenhouse Village Phase II; and,

WHEREAS, a review team consisting of County and the Central Shenandoah Planning District Commission ("CSPDC") representatives reviewed the qualifications and proposals of the proposers, and selected Perkins & Orrison, Inc., to provide the services; and,

WHEREAS, staff has negotiated with Perkin & Orrison and has reached an agreement for the professional services required for this Project; and,

WHEREAS, said Professional Services Agreement, dated February 13, 2018, is presented herewith for the Board's consideration and approval.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF ROCKBRIDGE COUNTY, VIRGINIA, as follows:

- 1. That the finding of the review team, that Perkins & Orrison, Inc., is the most qualified proposer, with significant prior planning, surveying, and engineering work having been performed in the area of this project, is hereby approved and confirmed.**

2. That the Professional Services Agreement, dated February 13, 2018, between the County and Perkins & Orrison, Inc., for a contract price of \$60,099.00, is hereby authorized and approved.

3. That the County Administrator or the Director of Community Development is hereby authorized and approved to execute the Agreement for Professional Services with Perkins & Orrison, Inc., and to take such further actions, on behalf of the Board of Supervisors, as are necessary to accomplish this transaction and administer the above-described grant, all of which shall approved as to form by the County Attorney.

4. That this Resolution shall be effective upon the date of its adoption.

Adopted this 12th day of February, 2018.

Consideration of Greenhouse Village MOU's:

Mr. Crickenberger presented three (3) Memorandum of Understandings related to the Greenhouse Village Phase II project, noting that the MOU related to the High School was an informational item. He recommended approval for the County Administrator to execute the two (2) other MOUs presented.

Supervisor Lewis moved to approve execution of the MOUs. Supervisor Higgins provided the second, and the motion carried by the following roll call vote:

AYES: Lewis, Higgins, Lyons, Hinty

NAYES: None

ABSENT: None

ABSTAIN: Campbell

Mr. Crickenberger noted that there may be other items presented at some point related to this project.

Consideration of Annual Natural Bridge Race Track Reports:

Mr. Crickenberger presented the reports.

Supervisor Lewis asked if the Community Development Department had received proof of insurance for the dirt track as the drag strip provided a copy of theirs in their report.

Mr. Crickenberger replied, yes, it had been received after the Board Packets were published. He also noted that both tracks had been struggling and are still for sale.

Supervisor Campbell moved to accept the reports as presented. Supervisor Lewis provided the second, and the motion carried by the following roll call vote:

AYES: Campbell, Lewis, Lyons, Higgins, Hinty
NAYES: None
ABSENT: None
ABSTAIN: None

Appointments:

Appointment to the Shenandoah Valley Workforce Development Board:

Mr. Crickenberger stated that Todd Shail of Mohawk had previously been appointed as the Board's private-sector member of the Shenandoah Valley Workforce Development Board. Mr. Crickenberger advised that Mr. Shail received a promotion and is now overseeing three (3) facilities and has recommended that Mohawk Human Resources Manager Lisa Grant assume his position on the Board. He then introduced Ms. Grant who was present.

Supervisor Higgins recommended appointing Lisa Grant to serve on the Shenandoah Valley Workforce Development Board in place of Todd Shail. Supervisor Lewis provided the second, and the motion carried by the following roll call vote:

AYES: Higgins, Lewis, Lyons, Campbell, Hinty
NAYES: None
ABSENT: None
ABSTAIN: None

Consideration of Regional Jail Board Nomination from the Town of Goshen:

Mr. Suter advised that the Jail Commission Agreement provides for alternating representatives from the Towns of Glasgow and Goshen. Given the current representative is for Glasgow, the Town of Goshen has recommended appointment of Tom McCraw.

Supervisor Lewis nominated Tom McCraw as the Town of Goshen's representative on the Regional Jail Commission in place of a Glasgow representative. Supervisor Campbell provided the second, and the motion carried by the following roll call vote:

AYES: Lewis, Campbell, Lyons, Higgins, Hinty
NAYES: None
ABSENT: None
ABSTAIN: None

Consideration of Planning Commission Appointee for the Kerrs Creek District:

Supervisor Lyons asked to table this appointment until next month to give the Board enough time to review the two applications in hand, one of which was received just before the meeting. Supervisor Lyons recommended that

both applicants be invited to attend the Planning Commission on February 14th.

Mr. Crickenberger advised that he had already invited both applicants to the meeting.

Mr. Suter advised that current representative Tim Hickman has agreed to continue serving until a replacement is appointed.

Supervisor Higgins suggested that applicants attend a Board Meeting prior to appointment.

Mr. Suter suggested the request be highly recommended, but not required.

Supervisor Lewis suggested that language be added to the Boards and Committees Application.

Monthly Staff Reports:

Chairman Hinty asked if the Board had questions or comments on the submitted Staff Reports. There were none.

Supervisor Campbell moved to accept the reports. Supervisor Lewis provided the second, and the motion carried by the following roll call vote:

AYES: Campbell, Lewis, Lyons, Higgins, Hinty
NAYES: None
ABSENT: None
ABSTAIN: None

Chairman Hinty offered a break until 6 p.m. for Public Hearings.

Public Hearings at 6:00 p.m.:

Amendment of PSA Articles of Incorporation for I81 Route 60 Water/Sewer Project:

Mr. Suter briefly reviewed his Board Report and a timeline of the project:

“As you are aware, in a joint work session with the Rockbridge County Public Service Authority (PSA) on December 11th, 2017, the Board of Supervisors (BOS) received an update on the potential to expand water and sewer services in the US Rt. 60 east corridor. To recap, over the past ten years, the PSA has received multiple requests for water/sewer service in the US 60 east corridor. While there is plenty of capacity for water, sewer capacity is capped. Thus, the PSA has been unable to offer any services for either business or residential expansion. Further, there has been discussion about the long term potential to provide W/S service to the area around the I81/US 60 interchange.

In the work session, the BOS and PSA were presented with the potential for a two phases approach:

Phase 1 - Increasing sewer capacity in the currently served area - Cost: Est. \$2.4M

Phase 2 - Extending both water and sewer to the I81/US 60 interchange - Cost: Est. \$9.6M

As explained by staff and the County's financial advisor (Davenport and Company) in the December 11 work session, the PSA is not in the position to take on the debt associated with either phase without backing of the County.

In the BOS's regular meeting following the December 11 work session, staff was directed to work with Davenport and bond counsel (Daniel Lauro with Botkin and Rose) to solicit borrowing options. In order to move ahead with the project(s), the BOS must amend the PSA's Articles of Incorporation; the way the PSA was established, the BOS has to approve and specify any projects the PSA is allowed to undertake. This requires a public hearing by the BOS after a 30-day notice to amend the PSA Articles of Incorporation. This project specification/approval is different than financing approval by the PSA or approval by the BOS for (1) a moral obligation support agreement required by a lender (in the event of a PSA revenues short-fall), and/or (2) a separate agreement between the County and PSA regarding payments from the County to PSA to cover project debt service payments (even if no revenue shortfall by PSA).

Please note that the actions recommended here are proactive in nature, giving the BOS and the PSA the *option* to move ahead swiftly, should financing options be deemed favorable. In other words, if, after solicitation, the Board and PSA determine to move ahead with either Phase 1 or both phases, we would not need to wait 30 days to hold a public hearing - it would already be done. You also need to be aware that by amending the PSA's Articles of Incorporation to authorize the project, the BOS is giving its blessing to the PSA to move ahead in the future - with or without BOS financial support. However, as noted above, the PSA is not in the position to undertake the project without BOS support."

He then introduced Public Service Authority's Executive Director Melissa Alexander who was present to answer questions from the Board.

Chairman Hinty opened the Public Hearing at 6:07 p.m.

Robert Clark of the Buffalo Magisterial District asked the Board to consider holding off on spending taxpayers' money to construct this project and to wait until there are contracts in place from potential business developers.

Chairman Hinty closed the Public Hearing at 6:09 p.m.

Supervisor Lyons reassured Mr. Clark and the public that the Board spends citizens' monies wisely and the need for infrastructure is required before a potential business developer makes a commitment.

Supervisor Higgins moved to adopt the Resolution to Amend and Supplement the Articles of Incorporation of the Rockbridge County Public Service Authority in Order to Expand and Increase its Water and Sewer Systems and Facilities. Supervisor Lyons provided the second and the motion carried by the following roll call vote:

AYES: Higgins, Lyons, Campbell, Lewis, Hinty
NAYES: None
ABSENT: None
ABSTAIN: None

**RESOLUTION
TO AMEND AND SUPPLEMENT
THE ARTICLES OF INCORPORATION OF THE
ROCKBRIDGE COUNTY PUBLIC SERVICE AUTHORITY IN ORDER
TO EXPAND AND INCREASE ITS
WATER AND SEWER SYSTEMS AND FACILITIES**

WHEREAS, by a resolution adopted on September 12, 1966, the Board of Supervisors of Rockbridge County, Virginia (the “Board”) created the Rockbridge County Public Service Authority (the “PSA”) under the Virginia Water and Sewer Authorities Act, Code of Virginia §§15.2-1239, et seq., as amended (now the Virginia Water and Waste Authorities Act, Code of Virginia §§15.2-5100, et seq., the “Act”); and

WHEREAS, the resolution creating the PSA was duly filed among the records of the Virginia State Corporation Commission (“SCC”), and a Certificate of Incorporation was issued by the SCC for the PSA; and

WHEREAS, the Board created the PSA for the stated purpose of acquiring, financing, constructing, operating and maintaining one or more water systems and one or more sewer systems, or any combination thereof, including pipe line and other property and facilities incidental thereto for the primary purpose of furnishing water and sewer facilities, or both, to residents and places of business in certain areas in Rockbridge County, Virginia (the “County”) and for the purpose of exercising the powers conferred by the Act; and

WHEREAS, pursuant to § 15.1-1247 of the Code of Virginia, as amended (the “Va. Code”) (now Va. Code § 15.2-5111), such resolution provided that: “[n]o other or further project, or projects, shall be undertaken by such authority until and unless the Board of Supervisors of Rockbridge County, Virginia, shall, by subsequent resolution, after public hearing and with or without referendum, specify the further project or projects, to be undertaken;” and

WHEREAS, the Board has adopted a number of resolutions since creation of the PSA to authorize further specific projects to be undertaken by the PSA; and

WHEREAS, the PSA and the County now desire to: (i) acquire, construct, reconstruct, expand, upgrade, and equip capital projects for the PSA’s water system and facilities related thereto, including but not limited to waterline extension improvements of water main and related appurtenances extending

east on Route 60 from Red Bud Lane and terminating on the east side of the I-81 interchange near Alpine Drive, (ii) acquire, construct, reconstruct, expand, upgrade, and equip capital projects for the PSA's sewer system and facilities related thereto, including but not limited to the construction of three pump stations, gravity sewer lines, force mains, and related appurtenances to convey wastewater from the Route 60/ I-81 interchange near Alpine Drive to the Maury Service Authority interceptor, and (iii) pay costs for preliminary engineering and design plans and costs of issuance in connection with such undertakings (the "Project"), all for the purpose of the PSA's continuing exercise of the powers conferred by the Act in relation to such properties and facilities; and

WHEREAS, to such end, and as required under the Act, a summary of this Resolution was advertised at least one time in *The News Gazette*, being a newspaper of general circulation in and around the County, on January 10, 2018, such date being not less than thirty (30) days prior to the holding of the public hearing by the Board on February 12, 2018, at or around 6:00 p.m.; and

WHEREAS, after the holding of a duly advertised public hearing on this matter immediately prior hereto, the Board adopts this Resolution to specify additional projects to be undertaken by the PSA in accordance with the provisions of Va. Code § 15.2-5111.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of Rockbridge County, Virginia that:

The Board of Rockbridge County, Virginia hereby specifies and approves the following project(s) to be undertaken by the PSA, in one or more phases: (i) the acquisition, construction, reconstruction, expansion, upgrade, and equipping of capital projects for the PSA's water system and facilities related thereto, including but not limited to waterline extension improvements of water main and related appurtenances extending east on Route 60 from Red Bud Lane and terminating on the east side of the I-81 interchange near Alpine Drive, (ii) the acquisition, construction, reconstruction, expansion, upgrade, and equipping of capital projects for the PSA's sewer system and facilities related thereto, including but not limited to the construction of three pump stations, gravity sewer lines, force mains, and related appurtenances to convey wastewater from the Route 60/ I-81 interchange near Alpine Drive to the Maury Service Authority interceptor, and (iii) the payment of costs for preliminary engineering and design plans and costs of issuance in connection with such undertakings (the "Project").

The Project, as more particularly described in the proposed Resolution, is based on a Preliminary Engineering Report, as revised on April 8, 2016, by Anderson & Associates, Inc. The preliminary estimate of total capital costs of the Project is \$11,668,610. At present, it is impracticable to determine the preliminary initial rates for services of the proposed Project (i.e., impact on rates) as certified by responsible engineers. With regard to such cost estimates, in accordance with the provisions of the Act, the Board hereby determines that additional estimates of capital costs and initial rates for services of the proposed project are impracticable.

THIS RESOLUTION TO AMEND AND SUPPLEMENT THE ARTICLES OF INCORPORATION OF THE PSA shall be effective immediately upon the adoption hereof by the Board of Supervisors of Rockbridge County, Virginia.

The undersigned Clerk of the Board of Supervisors of the County of Rockbridge, Virginia, hereby certifies that the foregoing constitutes a true and correct copy of the foregoing Resolution adopted by the Board at a duly called regular meeting on the date hereof, and that the record of the roll-call vote is as follows:

Name	Ayes	Nays	Absent	Abstain
John M. Higgins Buffalo District				
Daniel E. Lyons Kerrs Creek District				
David W. Hinty, Jr. Natural Bridge District				
Ronnie R. Campbell South River District				
A.J. "Jay" Lewis, II Walkers Creek District				

Adopted this 12th day of February, 2018

COUNTY OF ROCKBRIDGE, VIRGINIA

By: _____
David W. Hinty, Jr., Chairman

Attest: _____
Spencer H. Suter, Clerk

Amendment of MSA Articles of Incorporation for Route 11 Bypass to Houston Street Tank Upgrade:

County Attorney Vickie Huffman briefly reviewed her Board Report:

"The Maury Service Authority ("MSA") was created in 1970 as a regional body to provide water treatment and distribution for Buena Vista, Lexington, and Rockbridge County. (Buena Vista has never become a customer for purchase of water or sewer.) As authorized by state code, the MSA's Articles of Incorporation provided that no other or further projects were to be undertaken by the MSA without authorization from the participating localities. In 1996, the participating localities authorized the addition of wastewater collection and treatment facilities. Several additional authorizations have taken place over the years.

The MSA, in cooperation with the Rockbridge County Public Service Authority and the City of Lexington (its current customers), has proposed to undertake a new project to replace existing 12-inch water transmission lines with 16-inch water transmission lines along the Route 11 Bypass to the Houston Street Tank. The preliminary estimate of total costs for the project is \$1,166,014; the MSA plans to fund the project with long-term financing through the Virginia Resources Authority.

In conjunction with amendment of the Articles, the MSA has also proposed extension of its term for an additional 50 years. The initial 50-year term would expire in 2020.

Amendment of the Articles of Incorporation requires a public hearing, following 30 days' public notice. Notice was published on January 10, 2018. The proposed Resolution is attached. This Resolution was adopted by the Lexington City Council and the Buena Vista City Council on February 1, 2018.

Jerry Higgins, Executive Director of the MSA, is expected to attend the meeting to provide any additional information, such as proposed rate increase projections associated with the project, and to respond to questions from the Board."

She then introduced Maury Service Authority's Executive Director who was present to answer questions from the Board.

Chairman Hinty opened the Public Hearing at 6:12 p.m., and seeing there were no comments, Chairman Hinty closed the Public Hearing at 6:13 p.m.

Supervisor Campbell asked why Buena Vista needed to continue being part of the Articles of Incorporation when they have never been a water or sewer customer.

Ms. Huffman replied that the City of Buena Vista has the option to either be included or be removed and at this time they wish to remain included.

Supervisor Lewis asked Mr. Higgins if he thought there could be other necessary adjustments to the contract seeing as it would be extended for 50 more years.

Mr. Higgins shared that there may be adjustments needed in the future and can be addressed at that time.

Supervisor Higgins moved to adopt the Resolution to Amend and Supplement the Articles of Incorporation of the Maury Service Authority in Order to Expand and Increase its Water System and Facilities. Supervisor Campbell provided the second and the motion carried by the following roll call vote:

AYES: Higgins, Campbell, Lyons, Lewis, Hinty
NAYES: None
ABSENT: None
ABSTAIN: None

**RESOLUTION
TO AMEND AND SUPPLEMENT
THE ARTICLES OF INCORPORATION OF THE
MAURY SERVICE AUTHORITY IN ORDER
TO EXPAND AND INCREASE ITS WATER SYSTEM AND FACILITIES**

WHEREAS, by joint resolution of the Councils of the Cities of Buena Vista and Lexington, Virginia, and the Board of Supervisors of Rockbridge County, Virginia (collectively, the “Participating Localities”), the Maury Service Authority (“MSA”) was created under the Virginia Water and Sewer Authorities Act, Code of Virginia §§15.2-1239, et seq., as amended, (now the Virginia Water and Waste Authorities Act, Code of Virginia §§15.2-5100, et seq., the “Act”); and

WHEREAS, such joint resolution creating the MSA was duly filed among the records of the Virginia State Corporation Commission (“SCC”), and a Certificate of Incorporation was issued by the SCC for the MSA on August 7, 1970, providing the MSA with an initial term of fifty (50) years; and

WHEREAS, the stated purposes of forming the MSA was “[t]o acquire, finance, construct, operate and maintain a water system consisting of a filter plant, pipelines and other property and facilities incident and necessary in order to furnish a supply of water to the City of Buena Vista, the City of Lexington and to Rockbridge County Public Service Authority;” and

WHEREAS, such joint resolution creating the MSA provided that no other or further projects were to be undertaken by the MSA until and unless the governing bodies of the Participating Localities acted by subsequent resolution after public hearing relative to the specific additional projects to be undertaken; and

WHEREAS, during or around Calendar Year 1989, by resolution of the governing bodies (or otherwise upon general consensus of the Participating Localities), it was determined that the composition of the members of the Board of the MSA shall consist of one member appointed by the Council of the

City of Buena Vista, two members appointed by the Board of Supervisors of Rockbridge County, and two members appointed by the Council of the City of Lexington until such time as the City of Buena Vista shall become a water customer of the MSA, at which time the selection process automatically will revert to the original joint resolution of the Participating Localities (i.e., one member appointed by the Council of the City of Buena Vista, one member appointed by the Council of the City of Lexington, one member appointed by the Board of Supervisors of Rockbridge County, and the other two members appointed mutually by joint resolution of the three governing bodies of the Participating Localities); and

WHEREAS, by a subsequent joint resolution duly adopted by each of the governing bodies of the Participating Localities, duly filed among the records of the SCC, a Certificate of Amendment was issued by the SCC on August 23, 1996; and

WHEREAS, pursuant to such subsequent joint resolution, the Participating Localities of the MSA stated their intent was “to acquire, finance, construct, operate and maintain a waste water or sewage disposal system, said system to consist of a filter plant located in either Rockbridge County or the City of Lexington with access to the Maury River, and/or other property and facilities incidental to and/or necessary to treat waste water or perform the functions of a sewage disposal system to purchasers consisting of the City of Lexington, Rockbridge County, and the Rockbridge Public Service Authority, and for the purpose of exercising the powers conferred by the Act in relation to such properties;” and

WHEREAS, further, the Participating Localities of the MSA stated that “[n]o other or further project shall be undertaken by the [MSA] until and unless the Councils of the City of Buena Vista and the City of Lexington, and the Board of Supervisors of Rockbridge County shall, by subsequent resolution after public hearing and with or without referendum, specify the further project or projects to be undertaken”; and

WHEREAS, the Participating Localities have adopted Resolutions since the creation of the MSA to authorize further specific projects to be undertaken by the MSA; and

WHEREAS, the MSA, working cooperatively with the City of Lexington and the Rockbridge County Public Service Authority, now desires to acquire, construct, reconstruct, expand, upgrade and equip capital projects for the MSA’s water system and facilities related thereto, including but not limited to replacing existing 12 inch water transmission lines with 16 inch water transmission lines along the Route 11 Bypass, including incurring costs for preliminary engineering and design plans in connection therewith, and costs of issuance in connection with such undertakings (the “Project”), all for the purpose of the MSA’s continuing exercise of the powers conferred by the Act in relation to such properties and facilities; and

WHEREAS, to such end, the MSA requested the governing bodies of each of the Participating Localities to cause to be advertised a summary of this Resolution to Amend and Supplement the Articles of Incorporation of the MSA at least one time in *The News Gazette*, being a newspaper of general circulation in and around the Participating Localities, on December 27, 2017 and January 10, 2018, respectively, such dates being not less than thirty (30) days prior to the holding of the respective public hearings by the governing bodies of the Participating Localities, as required under the Act, as follows:

- (i) City of Buena Vista February 1, 2018 at or around 6:00 p.m.
- (ii) City of Lexington February 1, 2018 at or around 8:00 p.m.

NOW, THEREFORE, BE IT RESOLVED by the governing bodies of the Participating Localities (namely, the Council of the City of Lexington, the Council of the City of Buena Vista, and the Board of Supervisors of Rockbridge County, Virginia), that:

1. Pursuant to Virginia Code Section 15.2-5114(1) the Participating Localities hereby extend the term of the MSA for an additional fifty (50) years from the February 12, 2018 date of this Resolution.

2. The following Project to be undertaken by the MSA in order to upgrade its water system facilities is hereby specified and approved:

Water Transmission Upgrade Project. The project is based on plans entitled *“Updated Phase 2 Engineering Report, Water Transmission Upgrade Project,”* dated August 20, 2014, by Hurt and Proffitt, Inc. The MSA shall acquire, construct, reconstruct, expand, upgrade and equip capital projects for the MSA’s water system and facilities related thereto, including but not limited to replacing existing 12 inch water transmission lines with 16 inch water transmission lines along the Route 11 Bypass, including incurring costs for preliminary engineering and design plans in connection therewith, and costs of issuance in connection with such undertakings (the **“Project”**), all for the purpose of the MSA’s continuing exercise of the powers conferred by the Act in relation to such properties and facilities. The preliminary estimate of total costs of the Project is \$1,166,014. The MSA currently plans to obtain long-term financing for the Project through Virginia Resources Authority.

At present, the preliminary estimates of initial rate increases for MSA water services for the proposed Project (i.e., impact on rates) are as follows:

\$0.18 Per Thousand Gallons for FY 2019
\$0.03 Per Thousand Gallons for FY 2020
\$0.02 Per Thousand Gallons for FY 2021

The MSA currently estimates that water rates will thereafter decrease based on retirement of existing MSA debt. Further, with regard to such cost estimates, in accordance with the provisions of the Act, each of the governing bodies of the Participating Localities hereby determines that additional estimates of capital costs and initial rates for services of the proposed Project are impracticable.

THIS RESOLUTION TO AMEND AND SUPPLEMENT THE ARTICLES OF INCORPORATION OF THE MSA shall be effective immediately upon the adoption hereof by all of the governing bodies of the Participating Localities, namely the Cities of Lexington and Buena Vista, Virginia, and Rockbridge County, Virginia.

[Execution Pages of Participating Localities follow. Execution Pages are in counterparts.]

The undersigned Clerk of the City Council of the City of Buena Vista, Virginia, hereby certifies that the foregoing constitutes a true and correct copy of the foregoing Resolution adopted by the City Council at a duly called regular meeting on the date hereof, and that the record of the roll-call vote is as follows:

Name	Ayes	Nays	Absent	Abstain
Mayor Bill Fitzgerald				
Vice Mayor Tyson Cooper				
Councilman Melvin Henson				
Councilman Steve Baldrige				
Councilwoman Lisa Clark				
Councilman Danny Staton				
Councilman Stanley Coffey				

Adopted this 1st day of February, 2018

CITY OF BUENA VISTA, VIRGINIA

By: _____
 Mayor, City of Buena Vista, Virginia

Attest: _____
 Clerk of City Council

The undersigned Clerk of the City Council of the City of Lexington, Virginia, hereby certifies that the foregoing constitutes a true and correct copy of the foregoing Resolution adopted by the Council at a duly called regular meeting on the date hereof, and that the record of the roll-call vote is as follows:

Name	Ayes	Nays	Absent	Abstain
Marylin E. Alexander				
Michele F. Hentz				
J. Patrick Rhamey, Jr.				
David G. Sigler				
Charles "Chuck" Smith				
Leslie C. Straughan				

Adopted this 1st day of February, 2018

CITY OF LEXINGTON, VIRGINIA

By: _____
Mayor, City of Lexington, Virginia

Attest: _____
Clerk of City Council

[Execution Page of City of Lexington, Virginia]

The undersigned Clerk of the Board of Supervisors of the County of Rockbridge, Virginia, hereby certifies that the foregoing constitutes a true and correct copy of the foregoing Resolution adopted by the Board at a duly called regular meeting on the date hereof, and that the record of the roll-call vote is as follows:

Name	Ayes	Nays	Absent	Abstain
John M. Higgins Buffalo District				
Daniel E. Lyons Kerrs Creek District				
David W. Hinty, Jr. Natural Bridge District				
Ronnie R. Campbell South River District				
A.J. "Jay" Lewis, II Walkers Creek District				

Adopted this 12th day of February, 2018

ROCKBRIDGE COUNTY, VIRGINIA

By: _____
David W. Hinty, Jr., Chairman

Attest: _____
Spencer H. Suter, Clerk

Board Comments:

Chairman Hinty reminded the Board that Mr. Bolster would be presenting the draft budget on Wednesday, February 21st at 5:30 p.m. in the Board of Supervisors Meeting Room.

Adjournment:

Supervisor Lyons moved to adjourn the Board of Supervisors Meeting at 6:19 p.m. Supervisor Campbell provided the second, and the motion carried by the following roll call vote:

AYES: Lyons, Campbell, Lewis, Higgins, Hinty

NAYES: None

ABSENT: None

ABSTAIN: None