

AT A REGULAR MEETING OF THE BOARD OF SUPERVISORS OF ROCKBRIDGE COUNTY  
VIRGINIA, HELD IN THE COUNTY ADMINISTRATION BUILDING,  
150 SOUTH MAIN STREET LEXINGTON, VIRGINIA,  
ON MONDAY, JULY 14, 2014, AT 5:30 P.M.

PRESENT: CHAIRMAN J.M.HIGGINS  
MEMBERS: R.R.CAMPBELL, R.S.FORD, A.W.LEWIS, JR., D.W.HINTY, JR.  
CLERK TO BOARD: SPENCER H. SUTER  
COUNTY ATTORNEY: VICKIE L. HUFFMAN  
FISCAL DIRECTOR: STEVEN BOLSTER  
STAFF: PAUL OWEN, BRANDY WHITTEN

**Call to Order**

Chairman Higgins called the meeting to order at 5:31 P.M. He then asked for a moment of silence in memory of Virginia State Master Trooper Jerry Hines, who gave his life protecting the residents of Rockbridge County on February 20, 1989 on Interstate 81. Chairman Higgins stated that the bridges over Buffalo Creek along Interstate 81 were dedicated to Trooper Hines earlier in the day, this day, July 14, 2014. Those present at the meeting observed a period of silence.

Supervisor Lewis then delivered the invocation and led the Pledge of Allegiance.

**Recognitions/Presentations**

Chairman Higgins called for recognitions or presentations. There were none.

## **Citizen Comments**

Chairman Higgins called for citizen comments. There were none.

## **Items to be added to the Agenda**

Supervisor Campbell added a discussion on the Solid Waste Hauling Service Contract with Rockbridge Resource Recovery, LLC.

## **Approval of Minutes**

Supervisor Ford moved to approve the June 23, 2014 Minutes. Supervisor Campbell provided the second, and the motion carried by unanimous roll call vote.

AYES: Ford, Campbell, Lewis, Hinty, Higgins  
NAYES: None  
ABSENT: None

## **Financial Report**

Finance Director Steven Bolster reviewed his monthly memorandum. Activities for the Commissioner included: printing supplemental tax books for 2013 Personal Property and 2014 Real Estate; continuing work on the 2014 Personal Property tax book; completed summons on business licenses not paid in March 2014; and working new construction assessments. Activities for the Treasurer included: preparing FYE 2013-14 report on delinquent taxes; planning to brief at August 11th Board meeting; and

adding DMV Stops to collection efforts.

Mr. Bolster then provided a procurement update on the Lake Robertson Pool project, stating that the Lake Robertson Pool contract agreement with National Pools of Roanoke has been executed. Work will begin the project in September 2014, with an estimated completion date in November 2014. He then provided an update on the RFP for Contracted Ambulance Transport Service. He stated that the RFP was published on June 25, 2014 via the County's website, local advertisement, eVA, and email. He added that there was a pre-bid meeting on July 8, 2014 which was attended by three (3) companies.

Mr. Bolster moved on to the Revenues-versus-Expenditures chart and financial update, noting these highlights:

- The end of the fiscal year data reflects the cash-basis accounting. The information to be reflected in the FYE2014 audit is based on accrual-basis accounting. The respective totals will vary when compared.
- Year-to-date, revenues came in above the estimated by \$1,173,795.
- The new real estate tax rate due on June 5<sup>th</sup> was expected to raise these revenues by ~\$519,750
- Machinery and Tools tax came in at ~\$35K higher than last year.
- Penalties and Interest were above the estimated by ~\$159K.
- Sales, meals, and lodging revenues are exceeding anticipated receipts by ~\$178K.
- Business, Professional, and Occupational License revenues came in ~\$82K above the estimated.

- Transportation charges received were ~\$132K higher than expected.
- Year-to-date, expenditures were less than projected by \$455,812.
- The County share of the landfill operation resulted in a savings of \$56,809.
- The expected contribution to the State Health Department came in \$20,175 under budget.
- The County's contribution to the PSA debt service for the Lexington to Raphine waste-water treatment lines came in \$51,275 less than budgeted.
- The County is realizing a savings from the refinancing of school loans by both the County and the VPSA. The combined refinancing resulted in the transfer to school debt having a balance of \$185,330.

Chairman Higgins asked if the County would have similar savings next year.

Mr. Bolster replied that some of the savings were one-time and others were ongoing.

Supervisor Ford asked Mr. Bolster if he had any indication as to whether or not the Quality School Construction Bond (QSCB) continues to be affected by the recent federal sequester.

Mr. Bolster confirmed, stating that the QSCB was supposed to be 100% reimbursed; however, the sequestration cut the full reimbursement back to only 92-93% on the interest.

Mr. Bolster then reviewed the School Appropriation Resolution and recommended approval.

Supervisor Hinty moved to approve the School Appropriation Resolution as presented. Supervisor Campbell provided the second, and the motion carried by unanimous roll call vote by the Board.

AYES: Hinty, Campbell, Ford, Lewis, Higgins  
NAYES: None  
ABSENT: 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, JULY 14, 2014 AT 5:30 P.M.

On motion by Supervisor \_\_\_\_\_, seconded by Supervisor \_\_\_\_\_, the Board, by record vote adopted the following appropriation resolutions:

**APPROPRIATION RESOLUTION**

**BE IT RESOLVED:** By the Board of Supervisors of Rockbridge County, Virginia, that the following appropriations are, and the same hereby are made, for the period ending **June 30, 2015** in **FUND 50, SCHOOL FUND** and expended as follows:

**Grant Carryover**

**21st Century NBES 2012**

4-50-61100-1130-270-010-815 Grant Coordinator.....	\$7,500.00
4-50-61100-1153-270-010-815 Clerical Wages.....	\$1,139.00
4-50-61100-1153-270-010-815 Teacher Salaries.....	\$32,292.00
4-50-61100-1153-270-010-815 FICA.....	\$4,268.00
4-50-61100-3160-270-010-815 Purchased Services.....	\$5,130.00
4-50-61100-4000-270-010-815 Indirect Costs.....	\$25,986.00

4-50-61100-6030-270-010-815 Materials & Supplies..... \$8,956.00

**21st Century, CES 2013-2014**

4-50-61100-1130-220-010-821 Grant Coordinator..... \$2,917.00

4-50-61100-1153-220-010-821 Clerical Wages..... \$715.00

4-50-61100-1621-220-010-821 Teacher Supplement..... \$6,693.00

4-50-61100-2100-220-010-821 FICA..... \$4,934.00

4-50-61100-4000-220-010-821 Indirect Costs..... \$6,665.00

4-50-61100-6013-220-010-821 Materials & Supplies..... \$28,816.00

**GED Testing Money**

4-50-61100-3161-312-700-812 Purchased Services..... \$2,198.00

**IDEA Pt B Section 619 2012**

4-50-61100-6013-910-200-829 Materials & Supplies..... \$340.00

**IDEA Pt B Section 619 2013**

4-50-61100-6013-910-200-810 Materials & Supplies..... \$270.00

**IDEA Pt B Section 611 2013**

4-50-61100-3160-910-200-828 Teacher Salaries..... \$71,844.00

4-50-61100-2100-910-200-828 FICA..... \$5,497.00

4-50-61100-2210-910-200-828 VRS..... \$8,377.00

4-50-61100-2300-910-200-828 Medical..... \$18,254.00

4-50-61100-2400-910-200-828 GLI..... \$855.00

4-50-61100-2500-910-200-828 RHIC..... \$798.00

4-50-61100-3160-910-200-828 Purchased Services..... \$12,846.00

**Title I, Part A 2013**

4-50-61100-1121-910-100-830 Teacher Salaries..... \$50,405.00

4-50-61100-2100-910-100-830	FICA.....	\$3,856.00
4-50-61100-2210-910-100-830	VRS.....	\$5,878.00
4-50-61100-2300-910-100-830	Medical.....	\$2,738.00
4-50-61100-2400-910-100-830	GLI.....	\$600.00
4-50-61100-2500-910-100-830	RHIC.....	\$560.00
4-50-61100-6013-910-100-830	Materials & Supplies.....	\$3,456.00

**Title II Part A 2012**

4-50-61100-3160-910-100-819	Purchased Services.....	\$1,552.00
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**Title II Part A 2013**

4-50-61100-1121-910-100-831	Teacher Salaries.....	\$21,791.00
4-50-61100-2100-910-100-831	FICA.....	\$1,667.00
4-50-61100-2210-910-100-831	VRS.....	\$2,541.00
4-50-61100-2300-910-100-831	Medical.....	\$5,742.00
4-50-61100-2400-910-100-831	GLI.....	\$260.00
4-50-61100-2500-910-100-831	RHIC.....	\$242.00
4-50-61100-3160-910-100-831	Purchased Services.....	\$3,698.00
4-50-61100-6013-910-100-831	Materials & Supplies.....	\$698.00

**New Grant**

**Program Improvement**

4-50-68200-6050-950-200-832	Technology Hardware.....	\$10,000.00
4-50-68200-6050-990-200-832	Technology Hardware.....	\$10,000.00

**TOTAL FUND 50 APPROPRIATIONS**

**\$382,974.00**

**APPROPRIATION RESOLUTION**

BE IT RESOLVED: By the Board of Supervisors of Rockbridge County, Virginia, that the following appropriations are, and the same hereby are made, for the period ending **June 30, 2015** in **FUND 56, SCHOOL CAFETERIA FUND** and expended as follows:

**21st Century NBES 2012**

4-56-65100-1193-970-010-822 Cafeteria Worker..... \$960.00  
4-56-65100-2100-970-010-822 FICA..... \$74.00

**TOTAL FUND 56 APPROPRIATIONS** **\$1,034.00**

**APPROPRIATION RESOLUTION**

**BE IT RESOLVED:** By the Board of Supervisors of Rockbridge County, Virginia, that the following appropriations are, and the same hereby are made, for the period ending **June 30, 2015** in **FUND 70, SCHOOL CONSTRUCTION FUND** and expended as follows:

4-70-66200-3160-950 Purchases Services ..... \$1,410.00

**TOTAL FUND 70 APPROPRIATIONS** **\$1,410.00**

RECORDED VOTE:  
AYES:  
NAYS:  
ABSTAIN:  
ABSENT:

Mr. Bolster then reviewed the County Appropriation Resolution, noting that the Solid Waste Authority from this point forward will appropriate both Fund 19 and Fund 20.



Supervisor Lewis moved to approve the County Appropriation Resolution as presented. Supervisor Ford provided the second, and the motion carried by unanimous roll call vote by the Board.

AYES: Lewis, Ford, Campbell, Hinty, Higgins  
NAYES: None  
ABSENT: 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, JULY 14, 2014, AT 5:30 P.M.

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

APPROPRIATION RESOLUTION

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, 2015**, from the UNAPPROPRIATED SURPLUS of the **GENERAL FUND** and expended as follows:

4-11-12090-3001 Contracted Services.....	\$10,636.00
4-11-21010-5402 Technology Trust Fund.....	\$3,237.00
4-11-33010-7001 Jail Bldg Upgrade.....	\$269,859.00
4-11-81090-3004 Wayfinding Signage Grant.....	\$5,820.00
4-11-81090-5696 RANA Line of Credit.....	\$23,418.00
4-11-99010-6192 Transfer to Lined Landfill.....	\$20,175.00

**Total General Fund Appropriations** **\$333,145.00**

**Current County**

11 - General Fund	\$712,129.24
94 - Central Stores	<u>\$3,063.22</u>

**Total County Bills** **\$715,192.46**

**Current Fiscal Agent**

80 - Regional Jail	\$48,712.05
92 - Drug Fund	<u>\$579.60</u>

**Total Fiscal Agent** **\$49,291.65**

**TOTAL ALL BILLS** **\$764,484.11**

RECORDED VOTE:

AYES:

NAYS:

ABSTAIN:

ABSENT:

Mr. Bolster added one additional Appropriation Resolution related to the Community Development Block Grant in association with the Greenhouse Village Housing Project.

Supervisor Hinty moved to approve the Appropriation Resolution for the Greenhouse Village Infrastructure Grant. Supervisor Ford provided the second, and the motion carried by unanimous roll call vote by the Board.

AYES:	Hinty, Ford, Campbell, Lewis, Higgins
NAYES:	None
ABSENT:	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, JULY 14, 2014, AT 5:30 P.M.

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

APPROPRIATION RESOLUTION

BE IT RESOLVED: By the Board of Supervisors of Rockbridge County, Virginia, that the following appropriation/s are, and the same hereby is made, for the period ending **June 30, 2015**, from the UNAPPROPRIATED SURPLUS of the **GENERAL FUND** and expended as follows:

4-11-81090-3201 GHV - Infrastructure Grant.....	\$288,936.00
<b>Total General Fund Appropriation</b>	<b>\$288,936.00</b>

RECORDED VOTE:  
AYES:  
NAYS:  
ABSTAIN:  
ABSENT:

**Convene Solid Waste Authority**

**Financial Report for the SWA**

Chairman Higgins convened the Solid Waste Authority at 5:46 P.M.

Mr. Bolster explained that Funds 19 and 20 should be approved by the Solid Waste Authority instead of the Board, and that the Board should expect to see a separate appropriation resolution each month specifically for those two fund-lines.

On behalf of the Solid Waste Authority, Supervisor Campbell moved to approve the Solid Waste Authority Appropriation Resolution. Supervisor Ford provided the second, and the motion carried by unanimous roll call vote by the Board.

AYES: Campbell, Ford, Lewis, Hinty, Higgins  
NAYES: None  
ABSENT: None

AT A REGULAR MEETING OF THE ROCKBRIDGE COUNTY SOLID WASTE AUTHORITY, HELD AT THE COUNTY ADMINISTRATIVE BUILDING, 150 SOUTH MAIN STREET, LEXINGTON, VIRGINIA, ON MONDAY, JULY 14, 2014 AT 5:30 P. M.

On motion of Supervisor \_\_\_\_\_, with second by Supervisor \_\_\_\_\_, the Authority, by record vote, adopted the following appropriation resolution and payment of bills for the month as follows:

APPROPRIATION RESOLUTION

BE IT RESOLVED: By the Rockbridge County Solid Waste Authority, that the following appropriations are, and the same hereby is made, for the period ending **June 30, 2015**, from the UNAPPROPRIATED SURPLUS of the **SWA-LANDFILL FUND** and expended as follows:

4-19-19050-3002 Professional Services..... \$12,300.00  
4-19-19050-3006 Seeding/Mowing/Erosion Control..... \$557.00  
4-19-19070-3001 Engineering Services..... \$20,175.00

**Total SWA-Landfill Fund Appropriations \$33,032.00**

**Current SWA**

19 - SWA-Landfill \$78,876.36  
20 - SWA-Recycling \$22,850.55

TOTAL SWA BILLS

\$101,726.91

RECORDED VOTE:

AYES:

NAYS:

ABSTAIN:

ABSENT:

**Solid Waste Hauling Service Contract**

This item was added to the Agenda by Supervisor Campbell. Supervisor Campbell indicated that according to the Hauling Service Contract between the Solid Waste Authority and Rockbridge Resource Recovery, LLC., otherwise known as RRR, the Solid Waste Authority must provide a Notice of Intent to Terminate one year prior to the expiration of the contract. Supervisor Campbell stated that he would like the Solid Waste Authority to authorize the County Attorney to send the letter of Intent to Terminate the contract and to look at other options once the contract ends, instead of renewing the current contract with RRR, which expires in 2015.

Supervisor Ford moved to authorize the County Attorney to send a Notice of Intent to Terminate to RRR on behalf of the Solid Waste Authority. Supervisor Campbell provided the second, and the motion carried by the following roll call vote. Supervisor Lewis abstained.

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

Chairman Higgins closed the Solid Waste Authority at 5:48 P.M. and reconvened the Board of Supervisors regular meeting.

County Administrator Spencer Suter indicated that the Board of Supervisors should also authorize the County Attorney to send a letter of Intent to Terminate to RRR.

On behalf of the Board of Supervisors, Supervisor Ford moved to authorize the County Attorney to send a Letter of Intent to Terminate to RRR. Supervisor Campbell provided the second, and the motion carried by unanimous roll call vote by the Board.

AYES: Ford, Campbell, Lewis, Hinty, Higgins  
NAYES: None  
ABSENT: None

#### **Consideration for Adopting Financial Policies**

Finance Director Steven Bolster introduced Davenport and Company's Public Finance Analyst Phil Weisshaar and then briefly reviewed the Agenda Item: "On March 23rd, the Board received a presentation from Davenport and Company Senior Vice President Joe Mason and Public Finance Analyst Phil Weisshaar. The Davenport briefing provided a comprehensive financial review and peer comparison analysis. The presentation concluded with proposed financial policy guidelines. On June 23rd, the Board was given a second update by Mr. Mason and Mr. Weisshaar resulting from ongoing work between staff and Davenport. The presentation ended with the draft Rockbridge County Financial Management Policies and Best Practice Financial Guidelines. No changes have been made to the financial management overview or the draft policies and guidelines since the Board's meeting on June 23rd. These documents are also included in the BoardDocs package. Some of the highlights from the draft policies and guidelines

include the following:

- The primary objective of establishing financial management policies is to provide a framework to make sound financial decisions to positively impact the long-term development and stability of the County.
- The policy goals support the County's ability to insulate itself from fiscal crisis, achieve a strong credit profile, promote long-term financial stability, and focus on all areas which can impact the County's financial standing.

Recommended policy includes:

- The County intends to maintain a 10-year payout ratio at or above 50% at the end of each adopted 5-year CIP for all tax-supported debt.
- Annual tax-supported debt service as a percentage of the County's total General Fund expenditures will not exceed 12%.
- Total outstanding tax-supported debt as a percentage of total taxable assessed values will not exceed 3%.
- At the close of each fiscal year, the County's unassigned General Fund balance should be equal to at least 20% of the County's total General Fund expenditures.

The following action was recommended by Mr. Bolster: Receive the report, ask questions, and/or provide comments/inputs on potential modifications to the draft Rockbridge County Financial Management Policies and Best Practice Financial Guidelines. If in agreement with policies and

guidelines as presented or modified, it is requested that the Board elect to adopt the Rockbridge County Financial Management Policies and Best Practice Financial Guidelines. He noted that a related future action would involve approaching one or more of the National Credit Rating Agencies for Issuer Ratings. The County might also consider requesting an unpublished evaluation (Indicative Rating) of the County's general credit quality. This topic will be discussed within the Finance Committee in the near future.

Chairman Higgins asked Mr. Bolster if a contract was needed between the County and Davenport.

Mr. Bolster stated that a contract is being worked on, and in the meantime a Letter of Engagement has allowed Davenport to continue assisting the County with creating Financial Policies and Procedures. He advised that, should the contract not be ready before contacting the National Credit Rating Agencies for Issuer Ratings, another Letter of Engagement could be issued.

On a motion by Supervisor Lewis, seconded by Supervisor Ford, the Financial Management Policies and Best Practice Financial Guidelines were adopted by unanimous roll call vote by the Board.

AYES: Lewis, Ford, Campbell, Hinty, Higgins  
NAYES: None  
ABSENT: None

**Presentation by the Rockbridge Area YMCA**



Mr. Jason Rodocker, President of the Rockbridge Area YMCA and also Associate Dean of Students and Dean for First-Year Experience of Washington and Lee University, provided the following presentation to the Board of Supervisors:

"We appreciate this opportunity to share what the Y is accomplishing in our community," noting the following points:

- The Y has been locally operated for more than 10 years
- It moved to a new facility 4 years ago
- Membership has grown from 1650 to 2000 in the past 2 years
- There are 60 fitness classes every week
- There are over 50 employees, including instructors and trainers
- The Y is thus more than just a gym
- The Y seeks to strengthen the Foundations of Community:

Youth Development - Healthy Living - Social Responsibility

#### Summer Camp

- Reading and Math curriculum reduces summer learning loss
- 2,000 books have been donated in the past month

#### After School Care

- Certified program with a rich curriculum
- With many county children involved, Central School has allowed use of its facilities, for which the Y says, "Thank You!"

#### Gymnastics

- Grew from 1 class to 4 classes just last year
- A gymnastics camp was held this summer for the first time

#### HCAAT (Healthy Communities Action Team) Grant

-Involves working collectively with *Let's Move Lexington*, Carilion, county schools, Prevention Coalition, and W&L Campus Kitchen to reduce childhood obesity

#### Kind Roots Café

-cooking classes

#### Child Watch

-free child care while parents exercise

#### Disability Services

-Y trainers - help clients rebuild confidence and a sense of belonging

-CoffeeHouse - monthly social for disabled population

#### Active Older Adults

-Silver Sneakers - promotes physical activity and inclusion

-Rehab from joint surgeries is offered

-Aquacise is available at Kendal and W&L pools

#### Golf Outing

-third annual event to be held on August 15

-80 participants expected

#### Gobble Wobble 5K

-third annual event to take place this Thanksgiving

-350+ participants each of the first 2 years

He further noted that the YMCA creates positive partnerships.

"We are growing, we are good at managing programs, and we are committed to Rockbridge County. We appreciate you as community leaders and look forward to continuing to help you strengthen the foundation of this community through youth development, healthy living and social

responsibility.”

Supervisor Ford shared his support of the Y, stating that the Y is fully engaged with the Rockbridge region's health leaders and practitioners.

The Board of Supervisors thanked Mr. Rodocker for his presentation.

### **Stormwater Ordinance update on Amendments**

Erosion and Sediment Control Technician Paul Owen briefly reviewed the Agenda Item: “At its regular meeting on May 27<sup>th</sup>, the Board held a public hearing to adopt the new Stormwater Management Ordinance. The outcome of the Public Hearing was the adoption of the Rockbridge County Stormwater Ordinance. With the adopting of the Ordinance and the contract between the County and Joyce Engineering, the County was able to complete the scheduled deadline for final submission to DEQ. On June 24<sup>th</sup>, we received official comments from DEQ requesting some minor changes in the wording in the newly adopted Stormwater Ordinance. In consultation with the County Attorney, staff made the changes, as shown in the attached copy. Additionally, we recommend taking this opportunity to make some changes to the fee schedule in the Erosion and Sediment Control Ordinance. These changes will bring the fee schedule up to date with the new review costs that we received from Joyce Engineering.” The recommendation brought forth was to schedule a public hearing on the Stormwater and Sediment Control Ordinances.

Supervisor Hinty commended Mr. Owen for his due-diligence.

Mr. Owen advised that he may have other changes to the ordinance in reference to the design criteria in the near future.

Supervisor Ford moved to schedule a public hearing on both the Stormwater and Erosion and Sediment Control Ordinances for August 11, 2014. Supervisor Hinty provided the second, and the motion carried by unanimous roll call vote by the Board.

AYES: Ford, Hinty, Campbell, Lewis, Higgins  
NAYES: None  
ABSENT: None

### **Review of Radio Agreement**

County Administrator Spencer Suter briefly reviewed the Agenda Item: "At its regular March 24 meeting, the Board approved a resolution which enabled the Regional Emergency Communications Center Board to move forward with execution of a contract with Harris Communications. The contract was subsequently executed on March 25<sup>th</sup>. As you will recall, the contract provided for a 60 day no-fault exit - the Regional Emergency Communications Board could exit the contract at any time during that period with no further obligation. However, the central purpose of the grace period was to: 1) Provide time for the County to secure necessary financing, and 2) Gain assurances that leased tower space will be available, in accordance with system design. As you know, the County has secured financing in an agreement with PNC bank, which satisfies the first requirement. However, despite a 60-day extension of the no-fault-exit period, Harris has not yet been able to satisfactorily address the second requirement: at this time, assurance of tower availability is not yet complete, nor is it expected by the July 24 expiration of the extended grace period. It is important to note however, that Harris has been

working diligently on the project and submits weekly reports to the ECC Board. The latest summary (attached) notes that, of the 13 sites where we seek equipment placement, we have received reasonable assurances on 3, and 3 more are nearing completion. Investigation continues on space availability at the remaining 7 locations. The main obstacles encountered include lack of space on some of the towers and the time it takes to complete structural integrity tests. Additionally, the process is complicated by the fact that some tower owners require our agreement to lease rates prior to even starting the structural integrity tests. Given the fact that we clearly will not have the comfort level required to move ahead with the borrowing on July 24<sup>th</sup>, we have again coordinated with both Harris and PNC Bank to begin the process of extending the deadlines, should the Board agree to this plan of action. Extension of the deadlines will involve receipt of written agreements. Regional Communications Board attorney Brian Kearney will again ensure that all documents are binding and in the best interest of the Communication Board and the County. At this time, we are requesting that the Board approve an additional 90-day extension. It is important to note that it has become clear that this extended process would have been the same no matter which contractor was selected to complete this project. Again, our main goal is to ensure that any guaranteed coverage is based on known system design and transmitter emplacements." He then recommended the following: authorize the County Administrator to work with the Regional Communications Center Board and Brian Kearney to execute an additional 90-day deadline extension with Harris Regional Emergency Communications Center Board; and authorize the County Administrator to negotiate a similar extension of terms with PNC

Bank.

Supervisor Hinty asked if Harris is running into trouble and if that is why there is a hold-up.

Mr. Suter answered that the time period for this work is actually fairly standard, if not expedited. The County and Harris are working with the railroad, US Cellular, and other cell phone service providers in order to work through myriad issues involving siting, structural analysis, lease agreements, etc. for all the towers.

Supervisor Lewis asked if the No-Fault-Clause would carry over into the additional 90-day extension. (This clause would allow the County to exit the Agreement at any time).

Mr. Suter confirmed that the No-Fault-Clause will continue carry over to the 90 day extension.

Chairman Higgins commended everyone involved for taking their time to provide accurate information, and in doing so, it has saved the County money and noted that the end result will be what matters most.

Mr. Suter advised that this was a very complicated situation.

Supervisor Hinty also commended those involved with this project.

Supervisor Ford asked if the upgrades required to site the system on three of the towers will increase the project's cost, or if there is enough in contingency to cover it.

Mr. Suter stated that there is enough in contingency to cover the cost of those upgrades; however, he would like to use that contingency towards adding some of the items back into the project that have been pulled out, such as the Irish Creek Tower and additional repeaters.

Supervisor Hinty moved to accept with Mr. Suter's recommendations to move forward with an additional 90-day extension with Harris Communications and PNC Bank. Supervisor Campbell provided the second, and the motion carried by unanimous roll call vote.

AYES: Hinty, Campbell, Ford, Lewis, Higgins  
NAYES: None  
ABSENT: None

### **Virginia Horse Center/ USDA Payment Request**

Mr. Suter briefly reviewed the Agenda Item which included the following information: "Previously, while still considering an agreement with the VHC, the Board approved payment of USDA debt arrearage via monthly payments of approximately \$17,000 for a period of 3 months. These payments ended up being \$17,240 each for May, June and July of 2014. As you are aware, the Board, EDA and VHC recently came to agreement regarding future debt service payments on behalf of the VHC. Part of the agreement provided for a 1% increase in the transient occupancy tax, to take effect on August 1. Given this new condition/resolution by all parties, it would be beneficial for the County to continue the monthly payment until the existing USDA arrearage is satisfied. This would ensure that the VHC satisfies its commitment to the USDA and has no adverse impact to the County, other than the simple logistics of administering monthly payments. At this point, it appears that the existing arrearage would be paid off by January, 2015. Then, in February, the standard annual debt service payment would be made by both the County and the City of Lexington.

Please note that, as previously discussed, even with the 1% increase in the lodging tax, we still anticipate a shortfall in combined, annual County/City payment to the USDA in February 2015. As such the Board may wish to consider the additional action of extending the monthly payment mechanism beyond February, 2015, until future, expected arrearage is brought current, and annual lodging tax revenues begin to exceed the amount required for the annual USDA debt service payment." He then recommended the following: Authorize the County Administrator to make monthly payments, not to exceed \$17,240, directly to the USDA until the current USDA arrearage is satisfied.

Chairman Higgins asked Mr. Suter if he had spoken with the USDA and explained to them what he reported to the Board in the Agenda Item.

Mr. Suter confirmed.

Supervisor Hinty asked Mr. Suter if he had spoken with the City of Lexington about contributing to some of the arrearage payments.

Mr. Suter confirmed and noted that he would work with City Manager Jon Ellestad in an effort to arrange proportional payment.

Supervisor Ford asked if the Board was aware of discussions on river access points on the Horse Center property.

Supervisor Campbell responded that he had attended the last Virginia Horse Center Board Meeting and this topic was discussed. He shared that the Horse Center is looking into ways they could profit by raising money for usage of the river frontage as an access point.

Supervisor Lewis stated that he, Tourism Director Jean Clark, and Director of Community Development Sam Crickenberger had visited this proposed access point and it was beautiful.



Supervisor Ford suggested that the Horse Center's compliance with the terms of their recorded agreements with USDA and the Commonwealth should be carefully considered before any further development plans be made. Supervisor Hinty concurred.

Supervisor Campbell moved to authorize the County Administrator to make monthly payments, not to exceed \$17,240, directly to the USDA until the current USDA arrearage is satisfied. Supervisor Lewis provided the second, and the motion carried by unanimous roll call vote by the Board.

AYES: Campbell, Lewis, Ford, Hinty, Higgins  
NAYES: None  
ABSENT: None

#### **RANA Request**

Mr. Suter stated that, in January 2014, the Board approved an agreement with RANA providing for an Operational Line of Credit in the amount of \$55,000 but only appropriated \$38,000 at that time. The terms of the agreement provided that the additional \$17,000 could only be appropriated after RANA appeared before the Board with an additional justification of need. In accordance with the Agreement, RANA Business Manager Scott Robertson and RANA Board Member Greg Amonette were present to request the additional funding.

Mr. Robertson spoke on behalf of RANA while providing a progress report on what RANA has been and continues to accomplish. He noted that Virginia Military Institute (VMI) is now joining the network. He also noted that he believes he has found a way to get fiber to Mountain View School, despite unsigned easements in proposed rights of way.

Chairman Higgins and Supervisor Hinty commended Mr. Robertson for his work, stating that he is a great addition to RANA.

Supervisor Campbell moved to provide the additional funding of \$17,000 to RANA. A second was provided by Supervisor Ford, and the motion carried by unanimous roll call vote by the Board.

AYES: Campbell, Ford, Lewis, Hinty, Higgins  
NAYES: None  
ABSENT: None

### **Appointments**

**Rockbridge Regional Communications Center Management Board- Jon**

**"Kris" Whitesell's term expired 6/30/14**

Supervisor Ford moved to appoint Robert Hickman to the 911 Board in place of Mr. Whitesell. Supervisor Hinty provided the second and the motion carried by unanimous roll call vote by the Board.

AYES: Ford, Hinty, Campbell, Lewis, Higgins  
NAYES: None  
ABSENT: None

### **Staff Reports**

Supervisor Lewis moved to accept staff reports. Supervisor Campbell provided the second, and the motion carried by unanimous roll call vote by the Board.

AYES: Lewis, Campbell, Ford, Hinty, Higgins  
NAYES: None  
ABSENT: None

## **Board Comments**

### **Meeting Cancellation Notice**

The Board of Supervisors unanimously agreed to cancel the July 28<sup>th</sup> Board of Supervisors Work Session at 4:30 P.M. and regular meeting at 5:30 P.M.

**Closed Meeting as Permitted by Virginia Code §2.2-3711(A)(1), a personnel matter involving performance evaluation, job assignments or salaries of specific officers, appointees or employees**

Supervisor Ford moved that the Board enter a closed meeting for the purpose of discussing a personnel matter, according to the code shown above. Supervisor Campbell provided the second, and the motion passed by unanimous vote.

At the conclusion of the discussion, Supervisor Hinty moved to reconvene in open session, and Supervisor Ford provided the second. The motion passed by unanimous vote.

Upon reconvening in public session, Supervisor Campbell moved to certify that only matters covered under the stated code section were discussed. Supervisor Lewis provided the second, and the motion passed by unanimous vote.

Supervisor Ford made a motion that the county administrator immediately becomes eligible to receive up to 5% additional compensation in the form of deferred compensation which may be matched by the employee. Supervisor Hinty provided the second, and the motion carried by unanimous roll call vote by the Board.

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

ABSENT: None

Chairman Higgins noted that this compensation package is similar to what is offered in other localities. He further explained that Mr. Suter's initial employment contract had prevented his receiving the 5% "hold harmless" supplement given to all other employees in 2013, and the Board felt that he deserved this payment.

Mr. Suter thanked the Board for this consideration but noted that he had declined to accept the 5% raise last year and is still opposed. He asked that the Board strongly consider reviewing all County employees' compensation at the same time via ordering an independent salary survey, to assure that all staff are receiving equitable pay for the jobs they perform. The Chair thanked him for his comments.

### **Adjourn**

On a motion by Supervisor Hinty, seconded by Supervisor Lewis, the meeting was adjourned.