

June 28, 2012

Virginia:

AT A REGULAR SCHEDULED MEETING of the Nelson County Board of Supervisors at 7:00 p.m. in the Board of Supervisors room located on the second floor of the Nelson County Courthouse in Lovingson, Virginia.

Present: Allen M. Hale, East District Supervisor
Thomas D. Harvey, North District Supervisor -Chair
Constance Brennan, Central District Supervisor
Larry D. Saunders, South District Supervisor
Stephen A. Carter, County Administrator
Candice W. McGarry, Administrative Assistant/Deputy Clerk
Debra K. McCann, Director of Finance and Human Resources
Emily Harper, Director of Parks and Recreation

Absent: Thomas H. Bruguere, Jr. West District Supervisor - Vice Chair

I. Call to Order

Mr. Harvey called the meeting to order at 7:00 pm, with four (4) Supervisors present to establish a quorum and Mr. Bruguere being absent. Mr. Harvey noted that Mr. Bruguere was on vacation.

- A. Moment of Silence
- B. Pledge of Allegiance – Ms. Brennan led the Pledge of Allegiance

II. Public Comments

1. Clay Stewart, Arrington VA

Mr. Stewart noted that he would like a status of the Broadband Project for his company's planning purposes. He noted that he understood that fees were under consideration by the Board and he offered for his company to provide services in determining the market value of the towers by presenting to the Board and the County Administrator an adoption rate based on true market pricing and not the cost of towers. He noted that they should consider not just the number served but the adoption rate of services. He noted that for the lower income levels this was 10%, for middle income it was 60% and for higher income levels it was 80%. He added that 12-15% would not sign up at all due to being elderly and not owning a computer. He then noted that the Board should consider competitive services such as the 4G cellular services that were coming to the Afton area and would reduce the adoption rate. Mr. Stewart then reiterated that the fees should be based on market values and should take into account that the infrastructure was built with grant monies and lower fees should be passed on.

Mr. Stewart then noted that his company was out there to get the lowest price and best service possible to its customers in Nelson County and Amherst County. He added that he had turned up new equipment in Amherst and in Lowesville which was giving up to 12 MB speeds to homes and he had added a new plan for 4MB speeds. He noted that he needed to buy fiber in order to expand and not press his 60% utilization rate and he was holding out for the County's fiber to be done. He then stated that he has

asked the County's consultant to give him a weekly status and that he was not getting it. Mr. Stewart concluded by stating that he would like to be able to help with the project using the knowledge that he has gained and that he has supported the project knowing that he may lose customers for fiber connections.

III. Public Hearings & Presentations

A. Presentation – Recreation Center PER (Mosely Architects)

Mr. Carter introduced Mr. Doug Westmoreland from Mosely Architects and Sam Saunders from Timmons Group, a subcontractor to Mosely on the project. He noted that County staff had worked with them for the last 90 days on the PER and that they would overview the project and then take questions.

Mr. Carter noted that one option in the package was on private property and neither staff nor the consultants had physically accessed the property, but rather they had used information that was already available through topographic and GIS maps. He added that attempts to contact the landowner had been unsuccessful thus far. Mr. Carter then noted that staff had discussed other High School projects with the consultants but have not progressed in serious form on these.

Mr. Westmoreland noted that they would overview the following topics and that they had discussed with staff phasing the project into smaller portions.

- Building Program
- Conceptual Building Floor Plans
- Site Design Options
- Project Budgets
- Questions

Building Program

Mr. Westmoreland noted that the master plan was for a 70,000 sq foot facility including athletic and fitness, indoor aquatics, general building, and building support components.

He then reviewed a graphic of the first floor plan which consisted of a two court gymnasium and an aquatics center with a 25 yd. lap pool with 8 lanes and a zero entry family pool. He noted that they had found that family pools were huge draws for a facility; and they would propose the zero entry and slides etc. making it easily accessed by all ages. The aquatics area also included adjacent locker rooms.

Conceptual Building Floor Plans

Mr. Westmoreland then reviewed the general building components on the first floor as being a rental room, game room, child watch area, lobby, and multipurpose room. He noted that with the rental room, he would recommend doing a pro forma to gauge what County citizens wanted. He added that rental rooms could be a huge money generator.

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He then noted that the game room was an all hours space that became multigenerational, and that the Lobby was an important social space. He noted that the multipurpose room was usually a money generator also and could be divisible into three (3) different spaces. Mr. Westmoreland then noted that the building support areas included administrative office space and mechanical rooms.

Mr. Westmoreland then reviewed the second floor plan design which contained the athletic and fitness area comprised of a free weight area, fitness area, exercise rooms and a walking track that goes out and around the top of the gymnasium area. He noted that the building was a two (2) story building in the middle because of the pool on left side and courts on the right side. He noted that the walking track generated interest in bad weather months.

Site Design Options

Mr. Westmoreland then reviewed the three (3) Site Design Options; pointing out that Option B was not on County property. It was noted that all three site options were adjacent to the High School/Middle School property in order to be able to share the facility between the schools and the public.

Option A:

Mr. Westmoreland noted that Options A. located below the current tennis courts at the High School was very visible on site which was desirable. He noted that they would propose to put the parking area to the south and it could be used during school hours with traffic being separated. He noted that most use of the facility would be outside of school hours.

Option B:

Mr. Westmoreland noted that Option B. located on the North Side of the Middle School parking lot and adjacent to the current football/soccer practice field gave good visibility to Rt. 29. He noted that they anticipated needing 300 parking spaces for a facility this size and an advantage to this site was that parking could be used for access to the football stadium. He added that in this option they had shown the ability to add on additional playing fields; which would be adjacent to the building on this site.

Option C:

Mr. Westmoreland noted that in this option, all of the site development was new and had the most unknowns. He noted that they anticipated a lot of rock, which was built into the estimate. He added that this site also had the ability to do fields. He noted that this option would require the most site work and would be the least visible of the three presented.

Mr. Westmoreland then noted that Site Master Planning included the following:

- 300 parking spaces for Recreation Center
- 3 new little league fields
- 2 new baseball fields
- 2 new multi-purpose fields
- Walking trails

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Project Budgets

Mr. Westmoreland then reviewed the Project Budget Estimates and noted that the new building and pool construction (lap and family) estimate was \$15,808,000. He noted that the Site Construction budgets broke out as follows:

Option A: \$1,287,096, Option B: \$1,423,302, and Option C: \$1,867,686 with the additional fields for Option B: \$530,000, and Option C: \$1,170,000.

Mr. Westmoreland noted that Option A was lowest because of shared parking, better topography, and access to sewer etc.

He then noted that the projected project costs were estimated at 30% with the following breakdown:

AE Fees - covers survey and special inspections etc. 10%, Legal – 1%, FFE - Furniture Fixtures and Equipment 6%, Technology 3%, and contingency 10%.

He then noted that Option A including building, site design, and project costs were estimated at \$22,223,625. He noted that Option B was estimated at \$22,400,693, and Option C was estimated at \$22,978,392. He added that for Option B, the site acquisition costs were not factored in.

Mr. Westmoreland then reviewed the following Cost Reduction Strategies:

1. Building and pool construction with the family pool outside would cost approximately \$14,408,000 – a savings of \$1,400,000
2. Building and pool construction lap pool only would cost approximately \$13,308,000 – a savings of \$2,500,000.

He then noted that a baseline project would be to do the building and have the site for a lap pool only with minor fitness areas. He noted that Option B was chosen as a middle of the road for site costs; which would cost an estimated \$8,490,693 not including site acquisition costs.

Mr. Westmoreland concluded by noting that additional cost reduction considerations would be to reduce program areas, remove the walking track, and reducing the new parking and sharing more with the schools. He added that the walking track was a draw but that it would not be used as much as thought.

Questions

Mr. Westmoreland then fielded questions from the Board.

In response to questions regarding the first floor plan design dimensions, it was noted that the pool area was 16,500 sq ft. and the gym 14,000 sq ft. Mr. Hale commented that the pools were roughly 128 ft x 128 ft.

The Board then asked for an explanation of the site differences in terms of the topography and Mr. Saunders of Timmons had the following comments:

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Option A has slope falling off but the building could work with it and step down some.

Option B has a ridge going through it and moderate topography.

Option C has a lot of challenges and would need retaining walls etc. and is hidden.

He then noted that Option A was the easiest, Option B was okay with more expansion opportunities and Option C was challenging. He noted that GIS and topography maps were used on Option B.

In response to questions, Mr. Westmoreland noted that in Option A, the tennis courts would move behind the current NMS parking area and was in the budget. It was noted that there would be enough courts for competitions.

Mr. Carter noted that they had tried to engage the property owner in Option B about the possibility of obtaining seventeen (17) acres initially and potentially more depending on discussions. He added that the parcel ran over to the creek there.

Ms. Brennan then inquired as to the feasibility of doing the pool and related aquatic amenities as a phase I and Mr. Westmoreland noted that it was and would be very close to what the 22,000 sq feet option was.

Mr. Carter then reported that staff had asked the consultants to look at the big picture and then whittle it down etc. integrating a phased expansion and then go from there.

Mr. Harvey acknowledged that this was a wish list project; however it was great and would be a benefit to the schools and community. He added that the public had to have access to this and there would be a lot of studying and fundraising to do if this were to happen. Mr. Carter noted that staff has not tried to attack the financial side of the project.

Mr. Saunders reported that he hears that the County needs something for kids to do.

Ms. Emily Harper noted that people get excited about the idea and that swimming was limited in the County. She added that it would be great for seniors and all ages and would enhance life in the county quite a bit.

It was then noted that the zero entry family pool would allow for people to walk in and wheelchairs to roll into it. It was also noted that the lap pool would be 25 yards and was competition pool size; with most High Schools using this size.

When asked how many nearby high schools had pool, Mr. Westmoreland noted that he was not sure. Mr. Carter noted that he was not sure that the County's competitors did, but that Western Albemarle High School did and others to the north did. He added that those areas also had travel swim teams and clubs.

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B. Presentation -TJPED Target Market Study (Helen Cauthen TJPED President)

Mr. Carter introduced Helen Cauthen of TJPED and noted the expansive study of the region by Younger and Associates that was completed in the last three (3) months and they were now presenting the results to localities.

Ms. Cauthen began by thanking the Board for their support since the Partnership's inception in 1995. She noted that the Partnership was a public private partnership consisting of Nelson County, Albemarle County, Charlottesville City, Culpeper County, Fluvanna County, Louisa County, Madison County, and Orange County. She noted that additional members included those from higher education, federal government, and the private sector.

She then noted that the Partnership could do more with a regional approach and that the study gave each member of the region its own chapter of the study.

She then noted that the core services provided by the Partnership included:

1. **Research & Analytics** – comprehensive and customized
2. **Site Selection Assistance** – assist with new, expanding or relocating facilities
3. **Existing Business Services** – help current businesses remain and grow here
4. **Workforce Development Solutions** – serve employers and job seekers
5. **Entrepreneurial Support** – training and technical assistance

She then noted the following relative to the Target Markets Report:

Conducted by Younger Associates

- \$153,200 – Funded by 7 Counties, City of Charlottesville; UVA, Community Colleges; and Private Sector
- Project led by Steering Committee of local economic developers - including Maureen Kelly - over seven months
- Excellent example of work done most efficiently at the regional level
- Multi-Faceted Approach to Research
- Workforce Analysis
- Existing Business Cluster Analysis
- New and Emerging Industries
- Technology Asset Inventory
- Report recommends target industry sectors with strong local rationale & best industry outlook for region

Ms. Cauthen then noted that the full report was on the website at the following link <http://surveys.youngerassociates.com/va/TJPED>. She then explained that demographic information and workforce data for Nelson County was located in the Appendices.

She noted that the report should help the Board understand and implement what they choose to implement. She added that they looked at which targets made the most sense for the region as follows:

Optimal Target Markets – Screening Criteria:

- High relative wages
- Support/strengthen existing industry groups
- Use location’s unique attributes
- Leverage local/national/global trends
- High relative jobs multiplier
- Utilize incumbent occupational skill sets
- Match area’s educational infrastructure & postsecondary completions
- Match area’s capacity/desire for growth & development
- Potential to employ underemployed, unemployed

Ms. Cauthen then reported that two regional target markets were Business and Financial Services and Information Technology and Telecommunications and the following data relative to this was included in the report:

NAICS Code	Industry Title	Forecasted Five-Year Growth	National Average Earnings
Business & Financial Services			
Information			
518210	Data Processing, Hosting, and Related Services*	13%	\$80,651
Finance and Insurance			
523920	Portfolio Management	30%	\$80,277
524114	Direct Health and Medical Insurance Carriers	7%	\$86,200
525910	Open-End Investment Funds	19%	\$104,710
Professional, Scientific, and Technical Services			
541199	Specialized Legal Services	19%	\$63,766
541310	Architectural Services	6%	\$75,271
541330	Engineering Services	9%	\$93,317
541380	Testing Laboratories	2%	\$75,650
541511	Custom Computer Programming Services	14%	\$97,515
541512	Computer Systems Design Services	17%	\$95,909
541611	Administrative Management and General Management Consulting Services	23%	\$82,466
541618	Management Consulting Services	11%	\$80,245
541620	Environmental Consulting Services	18%	\$63,054
541690	Specialized Scientific and Technical Consulting Services	32%	\$67,101

She noted that the report gave NAICS codes for each target business target. She then noted the following points relative to the data presented:

- High relative wages – average earnings of \$81,867
- Highest Jobs Multiplier – 10.38
- Past five-year growth – 20%; Existing base – 1,485 firms
- Presence of redundant fiber optics network in region
- Wide range of firm sizes with smaller operational footprint match to region’s portfolio of available sites and buildings
- Region’s close proximity to Washington DC metro and demand for services

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- Strong projected growth rate; average forecasted five-year employment growth of 16%
- Potential retention of out-commuting workers by target industry

NAICS Code	Industry Title	Forecasted Five-Year Growth	National Average Earnings
Information Technology & Telecommunications			
Information			
519130	Internet Publishing and Broadcasting and Web Search Portals	16%	\$129,984
Computer & Electronic Product Manufacturing			
334290	Specialized Communications Equipment Manufacturing	15%	\$95,290
334417	Electronic Connector Manufacturing	5%	\$69,235
334513	Instruments and Related Product Manufacturing	1%	\$87,643
334516	Analytical Laboratory Instrument Manufacturing	5%	\$111,647
Electrical Equipment, Appliance, and Component Manufacturing			
335314	Relay and Industrial Control Manufacturing	1%	\$98,070

She then noted the following points relative to the data presented:

- High relative wages – average earnings of \$96,074
- Past five-year growth – 5%
- Existing base – 501 firms with 7,272 workers
- Regional patent activity related to this industry
- Complements Defense & Intelligence Industry group and its strong presence in the region
- Presence of redundant fiber optics network in the region

Ms. Cauthen then referred to a table in the report showing target markets by locality as follows:

	Albemarle	Charlottesville	Culpeper	Fluvanna	Louisa	Madison	Nelson	Orange
Bioscience & Medical Devices	•	•						
Business & Financial Services	•	•	•	•	•	•	•	•
Information Technology	•	•	•					
Defense & Security	•	•	•					
Health Services	•	•	•	•				•
Agribusiness, Food Processing & Tech	•				•	•	•	•
Transportation & Logistics				•	•			•
Chemicals & Plastics					•			
Forest & Wood Products				•	•		•	
Light Manufacturing*			•	•	•			•
Arts, Design, Sports & Media	•	•				•	•	

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Ms. Cauthen then briefly noted the target markets for Nelson County as being Business and Financial Services, Agribusiness, Food Processing and Technology, Forest and Wood Products, and Arts, Design, Sports & Media. She then noted that the report for Nelson County included the same data as previously discussed for the regional targets as for the local targets.

Ms. Cauthen concluded by noting that the Partnership has applied for a technical assistance grant for Agribusiness and that they and the members can use the report to go after grant funds.

Ms. Cauthen then took questions from the Board.

In response to questions, Ms. Cauthen noted that they would use the technical assistance grant funds to identify what other partners needed to be at the table to figure out what to explore and do. She noted that it would be a process that may lead to other funding opportunities. She added that there were 6-7 different components to go through with Virginia Tech and the outcome would be a specific regional implementation plan for agribusiness in order to help localities. She noted that they should know if they got the grant the following week.

Mr. Carter then noted that work needed to be done on the income disparity in the county in the employment sector to increase incomes and hopefully there was an opportunity to do this with the Broadband implementation. Mr. Carter added that Ms. Maureen Kelley had the following comments via email regarding the study:

“Most helpful to Nelson County was the articulation of our targets. They validate the progress we have made in the food and beverage industry cluster.”

“Next steps include further study of the full report with TJPED and the SBDC, continued work recruiting the supply and vendor chains in the food and beverage clusters as well as the wood products sector and financial and business services sector (utilizing the broadband infrastructure).”

Ms. Cauthen noted that the study provided key marketing assistance and she wanted to take TJPED to the next level. She added that they were there to support localities' efforts and that they needed to understand this so that they could provide leveraging opportunities for members.

Ms. Brennan noted that she found the demographic information interesting and she noted that the income disparity was stark as compared to others in the region. She added that she was intrigued by the statement about patents created in Nelson County and Ms. Cauthen noted that she could provide more information on this and that how many patents were utilized was important.

IV. Consent Agenda

Ms. Brennan asked that Ms. McGarry check the May 24th minutes and noted that Mr. Harvey was not present; however the minutes noted that he had opened a public hearing. She also asked that the current real estate tax rate be verified in the June 7th minutes. Ms. McGarry noted that she would check these items to ensure they are correct in the approved minutes. Members then noted that the tax rates included in their packets was correct as opposed to the draft set sent out for review prior to that.

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Ms. Brennan then moved to approve the consent agenda and Mr. Saunders seconded the motion. There being no further discussion, Supervisors voted unanimously (4-0) by roll call vote to approve the motion and the following resolutions were adopted:

A. Resolution – R2012-44 Minutes for Approval

**RESOLUTION-R2012-44
NELSON COUNTY BOARD OF SUPERVISORS
APPROVAL OF MEETING MINUTES
(May 23, 2012, May 24, 2012, and June 7, 2012)**

RESOLVED, by the Nelson County Board of Supervisors that the minutes of said Board’s meeting conducted on **May 23, 2012, May 24, 2012, and June 7, 2012** be and hereby are approved and authorized for entry into the official record of the Board of Supervisors meetings.

B. Resolution – R2012-45 Authorized Representatives -VRA Radio Project Financing

**RESOLUTION R2012-45
NELSON COUNTY BOARD OF SUPERVISORS
RESOLUTION APPROVING AUTHORIZED REPRESENTATIVES FOR RADIO
COMMUNICATIONS EQUIPMENT LEASE FINANCING**

WHEREAS, the Board of Supervisors (**the “Board”**) of the County of Nelson, Virginia (**the “County”**) has entered into a Local Lease Acquisition Agreement and Financing Lease dated as of April 30, 2012 (**the "Financing Lease"**) with Virginia Resources Authority (**“VRA”**) to finance the acquisition and installation of a radio communications system (**the "System"**); and

WHEREAS, VRA requires an authorized representative of the County to execute requisitions and related documents in order for the County to receive funds under the Financing Lease to pay for the System; and

NOW, THEREFORE, BE IT RESOLVED, THAT:

1. The Appointment of Authorized Representatives attached hereto is approved and the Chairman of the Board of Supervisors is authorized and directed to execute the same.
2. This Resolution shall be effective immediately upon its adoption.

APPOINTMENT OF AUTHORIZED REPRESENTATIVE(S)

I, Thomas D. Harvey, the duly elected acting Chairman of the Board of Supervisors
(*Name of Authorizing Official*) (Title)

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of Nelson County, Virginia a political subdivision of the Commonwealth of Virginia,
(Institution Name) (State)

do hereby certify that the following have been appointed as Authorized Representatives, at the date hereof, and are authorized to act on behalf of Nelson County, Virginia in matters relating to the Local Lease Acquisition Agreement and Financing Lease, dated as of April 30, 2012, between. Nelson County, Virginia and the Virginia Resources Authority and the related (Insert name of bond issue or master financing program here) equipment lease financing.

I also certify that the signatures opposite their names are the signatures of such individuals.

<u>Name</u>	<u>Title</u>	<u>Specimen Signature</u>
Stephen A. Carter	County Administrator	_____
Debbie McCann	County Finance Director	_____

C. Resolution – R2012-46 Designation of JAUNT Annual Meeting Proxy

**RESOLUTION-R2011-46
NELSON COUNTY BOARD OF SUPERVISORS
DESIGNATION OF JAUNT ANNUAL MEETING PROXY**

RESOLVED, by the Nelson County Board of Supervisors that Stephen A. Carter or his designee is hereby appointed as proxy to act and vote all shares of the Nelson County Board of Supervisors at the annual meeting of the shareholders of JAUNT, Inc., a Virginia Public Services Corporation on Wednesday, July 11, 2012 and at any adjournments thereof, upon the election of directors, and, in his discretion, upon such other matters as may properly come before such meetings.

BE IT FURTHER RESOLVED, that this proxy shall be valid until otherwise designated.

V. New/Unfinished Business

A. FY12-13 Budget Adoption (R2012-47)

Mr. Carter noted that the Board had completed the budget and the public hearing and that adoption of the budget was the third step. He noted that the proposed resolution provides a summary of each of the fund groups and explains the transfers of funds contained in the budget and was similar to the

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resolutions submitted in the past. He added that the resolution represents the numbers in each fund reviewed by the Board.

Mr. Hale then moved to approve Resolution **R2012-47** Adoption of Budget Fiscal Year 2012-2013, July 1, 2012-June 30, 2013 and Mr. Saunders seconded the motion. There being no further discussion, Supervisors voted unanimously (4-0) by roll call vote to approve the motion and the following resolution was adopted:

RESOLUTION R2012-47
NELSON COUNTY BOARD OF SUPERVISORS
ADOPTION OF BUDGET FISCAL YEAR 2012-2013
(JULY 1, 2012-JUNE 30, 2013)
NELSON COUNTY, VIRGINIA

WHEREAS, pursuant to the applicable provisions of Chapter 25, Budgets, Audits and Reports of Title 15.2 of the Code of Virginia, 1950, the Board of Supervisors of Nelson County, Virginia has prepared a budget for informative and fiscal planning purposes only and has also established tax rates, as applicable, for Fiscal Year 2012-2013 (July 1, 2012-June 30, 2013); and

WHEREAS, the completed Fiscal Year 2012-2013 Budget is an itemized and classified plan of all contemplated expenditures and all estimated revenues and borrowing; and

WHEREAS, the Board of Supervisors has published a synopsis of the budget, given notice of a public hearing in a newspaper having general circulation in Nelson County and, subsequent thereto, convened a public hearing on the Fiscal Year 2012-2013 Budget.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of Nelson County, Virginia that the Fiscal Year 2012-2013 Budget be hereby adopted in the total amount (all funds, revenues and expenditures) of \$70,483,135. The individual fund totals are denoted as follows:

<u>Fund</u>	<u>Budget</u>
General	\$ 35,338,610.00
VPA	\$ 1,818,141 .00
Debt Service	\$ 3,542,257.00
CDBG	\$ 684,008.00
Capital	\$ 1,497,875.00
School	\$ 24,525,366.00
Textbook	\$ 526,645.00
Piney River (Operations)	\$ 208,669.00
Broadband Project	\$ 1,487,738.00
Courthouse Project	\$ 853,826.00

1) The General Fund includes \$17,213,364 in local funding transferred to the Broadband Project Fund (\$50,000), the Debt Service Fund (\$3,542,257), the Piney River Water & Sewer Fund (\$45,000), and the School Fund (\$13,361,107 for general operations and \$215,000 allocated for school nursing). Includes \$1,818,141 in local, state, and federal funds transferred to the VPA Fund.

2) The CDBG Fund includes \$27,000 transferred to the Broadband Project Fund.

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BE IT LASTLY RESOLVED, that adoption of the Fiscal Year 2012-2013 Budget shall not be deemed to be an appropriation and no expenditures shall be made from said budget until duly appropriated by the Board of Supervisors of Nelson County, Virginia.

B. FY12-13 Budget Appropriation (R2012-48)

Mr. Carter then noted that the next step for the Board was to appropriate the FY12-13 budget by approving the proposed resolution.

Mr. Hale then moved to approve resolution **R2012-48** Fiscal Year 2012-2013 Appropriation of Funds and Ms. Brennan seconded the motion. There being no further discussion, Supervisors voted unanimously (4-0) by roll call vote to approve the motion and the following resolution was adopted:

**RESOLUTION R2012-48
NELSON COUNTY BOARD OF SUPERVISORS
FISCAL YEAR 2012-2013
APPROPRIATION OF FUNDS**

WHEREAS, the applicable provisions of Chapter 25, Budgets, Audits and Reports of Title 15.2 of the Code of Virginia, 1950 require the appropriation of budgeted funds prior to the availability of funds to be paid out or become available to be paid out for any contemplated expenditure; and

WHEREAS, the Nelson County Board of Supervisors has heretofore approved the Fiscal Year 2012-2013 Budget (July 1, 2012 to June 30, 2013) for the local government of Nelson County and its component units; and

WHEREAS, the Board of Supervisors now proposes to appropriate the funds established in the Fiscal Year 2012-2013 Budget;

NOW, THEREFORE, BE IT RESOLVED by the Nelson County Board of Supervisors that the Fiscal Year 2012-2013 Budget be hereby appropriated on an annual basis by fund category, as follows:

<u>Fund</u>	<u>Revenue(s) (All Sources)</u>	<u>Expenditure(s) (All Departments)</u>
General	\$ 35,338,610.00	\$ 35,338,610.00
VPA	\$ 1,818,141.00	\$ 1,818,141.00
Debt Service	\$ 3,542,257.00	\$ 3,542,257.00
CDBG	\$ 684,008.00	\$ 684,008.00
Capital	\$ 1,497,875.00	\$ 1,497,875.00
School	\$ 24,525,366.00	\$ 24,525,366.00
Textbook	\$ 526,645.00	\$ 526,645.00
Piney River (Operations)	\$ 208,669.00	\$ 208,669.00
Broadband Project	\$ 1,487,738.00	\$ 1,487,738.00
Courthouse Project	\$ 853,826.00	\$ 853,826.00
	\$ 70,483,135.00	\$ 70,483,135.00

BE IT FURTHER RESOLVED by the Board of Supervisors that:

1. The General Fund appropriation includes the transfer of \$1,818,141 (4-100-093100-9201) to the VPA Fund (3-150-004105-0001), \$3,542,257 (4-100-093100-9204) to the Debt Service Fund (3-108-004105-0100), \$13,576,107 (4-100-093100-9202/Nursing \$215,000, 4-100-093100-9203/Operations \$13,361,107) to the School Fund (3-205-004105-0001), \$50,000 (4-100-093100-9114) to the Broadband Project Fund (3-114-004105-0100), and \$45,000 (4-100-093100-9207) to the Piney River Water & Sewer Fund (3-501-004105-0001). The amounts transferred from the General Fund to the VPA Fund, Debt Service Fund, School Fund, Piney River Water & Sewer Fund, and Broadband Project Fund are also included in the total appropriation for each of these funds.
2. The CDBG Fund appropriation includes the transfer of \$27,000 (Account 4-503-094710-9114) to the Broadband Project Fund (3-114-004105-0503). The amount transferred from the CDBG Fund is also included in the total appropriation of the Broadband Project Fund.
3. The Textbook Fund appropriation includes the allocation of \$172,170 from the School Fund.
4. The appropriation of funds to the School Fund, Textbook Fund, and VPA Fund shall be in total and not categorically.
5. The appropriation and use of funds within the General, Debt Service, CDBG, Capital, Piney River Water & Sewer, Courthouse Project and Broadband Project funds shall adhere to the amounts prescribed by the Board of Supervisors for each department therein unless otherwise authorized by the Board of Supervisors.

C. Local Governing Body Concurrence with School Division Electing to Pay the VRS Board-Certified Rate (R2012-49)

Mr. Carter noted that the resolution being presented was for the Nelson County School Board and was related to VRS. He added it was the Board of Supervisor's acknowledgement of the School Board's actions taken on the VRS rate election. He added that the resolution endorsed the actions taken by the School Board and would be submitted to VRS.

Ms. Brennan then moved to approve resolution **R2012-49** pertaining to the local governing body endorsement of the School Board's VRS rates and Mr. Hale seconded the motion.

Mr. Carter explained for the public that this was an administrative process as an outcome of the General Assembly's action that makes mandates to the localities for participation in VRS. He added that this was something that the State has forced upon Virginia localities.

There being no further discussion, Supervisors voted unanimously (4-0) by roll call vote to approve the motion and the following resolution was adopted:

**Resolution R2012-49
Nelson County Board of Supervisors**

June 28, 2012

**Local Governing Body Concurrence with School Division
Electing to Pay the VRS Board-Certified Rate**
(In accordance with the 2012 Appropriation Act Item 468(H))

Resolution

BE IT RESOLVED, that Nelson County (55162) does hereby acknowledge that the Nelson County Public School Division has made the election for its contribution rate to be based on the employee contribution rates certified by the Virginia Retirement System Board of Trustees pursuant to Virginia Code § 51.1-145(1) resulting from the June 30, 2011 actuarial value of assets and liabilities (the "Certified Rate"); and

BE IT ALSO RESOLVED, that Nelson County (55162) does hereby certify to the Virginia Retirement System Board of Trustees that it concurs with the election of Nelson County Public Schools to pay the Certified Rate, as required by Item 468(H) of the 2012 Appropriation Act; and

NOW, THEREFORE, the officers of Nelson County (55162) are hereby authorized and directed in the name of Nelson County to execute any required contract to carry out the provisions of this resolution. In execution of any such contract which may be required, the seal of Nelson County, as appropriate, shall be affixed and attested by the Clerk.

VI. Other Business (As May Be Presented)

Introduced: Broadband Project Update

Mr. Carter noted reported that he had received a project update from ICON that day and a more in depth review of the financial status would ensue.

He noted that the conduit installation was 70%-80% installed and they have run into some rock inhibiting the progress in some sections and were focusing on this at present. He added that there were some issues with VDOT stopping Mastec from addressing this as quickly. He added that the thought that they would finish this at the end of July or early August.

He then reported that he had signed the contract with Calix for the electronics that would operate the network.

Mr. Carter then noted that an RFQ for network operations had been reissued and staff was hopeful it would be successful this time. He added that a contract had been executed with a firm to install the fiber inside the community anchor institutions (CAIs) and was in process.

Mr. Carter reported that quotes had been received on the provision to the County of internet and phone services. He noted that Lumos was the best offer and that the County was negotiating the contract; which should be less expensive and would provide the County with higher bandwidth.

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He reported that an RFP was issued for the construction of the towers at Martin's Store and in Afton. He reported that the Massies Mill tower was being identified and a new list would be sent over to staff. He noted that there was a ridge there that impeded the sight distance to Colleen.

Mr. Carter noted that there was a concern regarding timeliness but that the County was way within the Federal ARRA project deadline. He added that the backbone should be operational in September but that there would still be a lot of testing etc. to be done.

Mr. Carter then reported that another promising discussion had been had with Mid-Atlantic Broadband Company (MBC) who was a conduit for providers. He noted that they would like to have a regeneration facility in the County's NOC in Lovington and they would provide access to their member providers to serve the County. He noted that they would pay to locate there and would open up access to their two hundred (200) internet service provider members to be able to provide their services over the County's network. He added that he thought this was a very good thing if it were to happen.

Mr. Carter then noted that the Broadband Authority had an upcoming public hearing on the rates, and that he thought that based on input from other companies in the region, that the rates were commercially acceptable. He added that the Authority would work towards making future rates more attractive and that they may need adjustment in the future.

Mr. Carter then noted that the Gladstone tower and the High Top tower in addition to the four (4) in the network were part of a strategy to allocate space on these for the provision of broadband services. He noted that the County was working through the contract with Nature Conservancy and should go through but that it was taking time to get it done.

Mr. Carter then reported that it has taken an enormous amount of time to keep up with all of this. He noted that another concern was still related to how fast the network would build out. He noted that the Federal Grant Funds build the infrastructure but that there were no funds for build out or to subsidize this happening. He added that the County was building the network and was not providing service by subsidizing connectivity.

He then reported that Mastec's subcontractor was working at the McGinnis building now and that all County government offices would be connected except for the Transfer Station. He added that the Schools would be the last to connect because they have services and were obligated to this for several years.

In conclusion, he noted that the network was proposed to be a transport network and the Authority did not propose to be a provider of bandwidth. He noted that they were negotiating rates for the towers, those rates were based on maintaining the operations of the network and future build-out of the network over time. He noted that he was happy to meet with Mr. Stewart in private and wanted to work with him to be successful.

It was then noted that the next Broadband Authority meeting was to be held on July 10th at 6pm; where the major decision would be the rates and the regular quarterly meeting would be held on the 4th Thursday of July at 6pm.

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Introduced: Courthouse Project

Mr. Carter reported that a walk through on the punch list had been done that day and that a majority of the resolutions were inside the building; however there were still concerns on the concrete work, the correctness of the retaining walls, and there was sidewalk work to be corrected. He added that Blair thinks that they should receive retainage and this was potential discussion for the Board. He noted that it may come to getting the punch list down to the highest level of acceptability and then meeting with Blair and Randy Vaughan to discuss resolution of any substantial disagreements.

Mr. Saunders noted that he attended the walk through and did not see any changes made outside. He noted that he then left after seeing that Blair was not ready for the walk through. He noted that they had put epoxy in cracks in the concrete that had already come out. He attributed these cracks to the lack of expansion joints and noted that with the construction of the sidewalks, water was running towards building instead of away from it. He then reported that there was stone scattered about the seeding and that some E&S issues were not addressed. He noted that additionally, the cooler was not cleaned and pressure washed.

Mr. Carter then noted that some things were done. He noted that they had tried to correct the light poles and that these may be acceptable. He noted that some sidewalks were red stained and needed pressure washing. He noted that the retaining wall was subbed out and that Blair had not been able to get a report signed off from them. Mr. Saunders noted that he was not an engineer but that the retaining wall was not done the way they did them and that it was backfilled with dirt and not stone. He added that he thought that the concrete and seeding were the biggest issues. He noted that he would advise against giving any retainage at this point and if they did they would lose leverage. He then added that Wiley Wilson had surprisingly specified latex paint on the handrails, which he supposed would maybe last a year.

The tunnel leakage was then discussed and it was noted that the width of the sidewalk slopes in a bit; whereas it should be sloped out to take the water away and down the hill. Mr. Carter noted that this had to be ripped out. He noted that the leaks were marked and needed further investigation as Mr. Vaughan was unable to determine what the problem was as of yet. Mr. Carter noted that the tunnel was for prisoner transport and the concrete walls were not hand rubbed and then painted as specified.

Mr. Carter reported that the General District Court Clerk's problems with office humidity were discussed and that she had reported that papers would not go through the fax machine because they were so damp.

Mr. Carter noted that he thought it was appropriate to convene a meeting before continuing these walk throughs and go from there. Mr. Harvey noted that the Courthouse committee needed to be satisfied and Mr. Carter indicated that they would be included.

Mr. Harvey suggested that they needed to put a value on some of these things and that the things more visible to the public were important. He added that the water issues had to be fixed and so did the landscaping/seeding issues. Members and staff briefly discussed that no topsoil was brought in and it was noted that the landscaping fixes may be put off until fall now.

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Mr. Carter then noted that some progress had been made but that there was more to be done. He noted that Mr. Vaughan had expressed his disappointment to him afterwards. Mr. Saunders indicated that he was disappointed with Mr. Vaughan on this project also.

The Board's discussion concluded with the members and staff agreeing that they wanted the project finished correctly.

Introduced: Closed Session pursuant to Section 2.2-3711(A) (3): discussion or consideration of the acquisition of real property for a public purpose.

Mr. Harvey then suggested that the Board hold a closed session to discuss the possible acquisition of real estate for a public purpose.

Members agreed and Mr. Saunders move that the Nelson County Board of Supervisors convene in closed session to discuss the following as permitted by Virginia Code § 2.2-3711(A) (3): discussion or consideration of the acquisition of real property for a public purpose. Ms. Brennan seconded the motion and there being no further discussion Supervisors voted unanimously (4-0) by roll call vote to approve the motion.

The closed session was then conducted and upon its conclusion, Mr. Hale moved to reconvene in open session and Ms. Brennan seconded the motion. There being no further discussion Supervisors voted unanimously (4-0) by roll call vote to approve the motion to reconvene in open session.

Upon reconvening in open session, Mr. Hale moved that the Nelson County Board of Supervisors certify that, in the closed session just concluded, nothing was discussed except the matter or matters specifically identified in the motion to convene in closed session and lawfully permitted to be discussed under the provisions of the Virginia Freedom of Information act cited in that motion. Ms. Brennan seconded the motion and there being no further discussion Supervisors voted unanimously (4-0) by roll call vote to approve the motion.

Following certification of the closed session, no action was taken by the Board.

VII. Adjournment

At 9:10 pm, Ms. Brennan moved to adjourn and Mr. Hale seconded the motion. There being no further discussion Supervisors voted unanimously by voice vote to approve the motion and the meeting adjourned.