

April 25, 2013

**Virginia:**

AT A REGULAR 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.

Present: Thomas H. Bruguire, Jr. West District Supervisor- Chair  
Larry D. Saunders, South District Supervisor  
Allen M. Hale, East District Supervisor  
Thomas D. Harvey, North District Supervisor  
Stephen A. Carter, County Administrator  
Candice W. McGarry, Administrative Assistant/Deputy Clerk  
Debra K. McCann, Director of Finance and Human Resources

Absent: Constance Brennan, Central District Supervisor - Vice Chair

**I. Call to Order**

Mr. Bruguire called the meeting to order at 7:05 PM with four Supervisors present to establish a quorum and Ms. Brennan being absent.

- A. Moment of Silence
- B. Pledge of Allegiance – Mr. Saunders led the Pledge of Allegiance

**II. Public Comments**

1. Jeff Cole, Highland on the James property owner and Richmond resident

Mr. Cole noted that he and his wife lived in Richmond, however owned property at Highland on the James and they wanted to express their support of the Building Inspections department. He noted that he had found David Thompson to be very helpful and professional in his interactions with him and also very responsive to other erosion and sediment control issues they have had. He noted that he had the opposite opinion as those expressed to the Board at a previous meeting and that were reported on in the Nelson County Times.

2. Helen Cauthen, President of the Central Virginia Economic Development Partnership.

Ms. Cauthen noted her appreciation of the Board's support and added she was there to report on the launching of the organization's new name and brand – the Central Virginia Economic Development Partnership. She then provided a program from the launch event and a small gift for each Board member. She noted that it had been a long process of brand assessment etc. and the new brand leveraged Virginia and gave its geographic

April 25, 2013

location within the state. In conclusion, she shared quotes of praise from the launch event and again thanked the Board for their continued support.

3. Karen Reifenberger, Piedmont Housing Alliance

Ms. Reifenberger thanked the Board for its adoption of the Fair Housing resolution noting that it was the 45th anniversary of the Federal Fair Housing Act which protected communities from discrimination in housing. She noted that PHA conducted fair housing outreach activities along with the Nelson County Community Development Foundation.

4. Reagan H. Thompson, Oak Ridge

Ms. Thompson noted that she was there to advise the Board of their plans to host a 4 day festival event in the fall that included on site camping and live music. She noted that they had passed on other offers to host events however the event promoter was interested in the same goals as Oak Ridge; which was not impacting the land negatively or bothering their neighbors too much.

Ms. Thompson then introduced Mr. Dave Frey; the event promoter.

Mr. Frey noted his extensive experience as a promoter and noted that he had moved to the county from New York five years ago. He added that he had recently partnered with a magazine owner and venue owner to work on promoting a festival. He noted that they had looked nationwide but found Oak Ridge right here. He advised that their challenge was the road coming in from Route 29 to Oak Ridge and that they had hired a consultant and were looking into developing a traffic plan that would circumvent the bottleneck there as much as possible. Mr. Frey noted that they were pretty far along with the associated collaborative agencies on this front.

Mr. Frey then described the festival as being unique in that they would be booking larger bands but fewer of them. He noted that there would be one band performing at a time on two stages each playing a full time. He added that they were also close on obtaining their permits and wanted to come to the Board to message their plans.

Mr. Frey noted that they were very interested in this event being a long term thing and that they planned to have a long term contract with Rhonda Holland should it succeed. He added that they had made a huge investment thus far and intended it to be a showcase festival of music, food, and beverages of Central Virginia. He noted that they had the best in class experts in the industry engaged in the project. He then noted that they were very close to having an arrangement with Amtrak to go back and forth between Charlottesville and Lynchburg to Oak Ridge and use the depot there. He added that they were also working with Wintergreen to sell a festival & lodging package.

Mr. Frey briefly described their traffic plan and noted that all check points were far within the Oak Ridge site so there would be no bottle-necking near the road. He noted that they would also have a stacking lot that would hold 12,000 to 15,000 cars.

In response to questions, Mr. Frey noted that there would be both transitory people attending and stationary campers and that while it was hard to say how many people there would be, he noted they were hoping 30,000 to 40,000. He added that they would have carpool incentives in place and that the Amtrak deal would also help with traffic. He noted that the train they were speaking of would be 10 cars that held 78 people per car. He added that their research showed that there was not much heavy freight that travelled through the area on the weekends.

Mr. Frey then noted that the dates for the festival were Thursday through Sunday, September 5<sup>th</sup> -8<sup>th</sup>.

Mr. Carter then noted to the Board that when all of the associated agencies were satisfied with their plans, they would come to the County to issue them a special events permit.

Mr. Tim Padalino then confirmed this and noted that the special event permit was issued by his office but that Maureen Kelley had been working on this primarily. He noted that he had lent support to it and throughout the process thus far he had seen the applicant exceeding his expectations.

In response to questions regarding traffic at previous events, Ms. Thompson noted that Camp Jeep had up to about 12,000 and the traffic was constant. She added that for the Kenney Chesney concert, 30,000 people showed up and the planning was poor for that event. She noted that they were very excited to have a promoter to handle these problems and that they were just the event site.

### **III. Consent Agenda**

Mr. Hale moved to approve the consent agenda and Mr. Harvey 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 - R2013-27 April Declared Fair Housing Month**

### **RESOLUTION R2013-27 NELSON COUNTY BOARD OF SUPERVISORS APRIL DECLARED FAIR HOUSING MONTH 2013**

**WHEREAS**, April is Fair Housing Month and marks the 45th anniversary of the passage of the federal Fair Housing Act (Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988); and

**WHEREAS**, the Fair Housing Act provides that no person shall be subjected to discrimination because of race, color, national origin, religion, sex, disability, or familial

April 25, 2013

status in the rental, sale, financing or advertising of housing (and the Virginia Fair Housing Law also prohibits housing discrimination based on elderliness); and

**WHEREAS**, the Fair Housing Act supports equal housing opportunity throughout the United States; and

**WHEREAS**, fair housing creates healthy communities, and housing discrimination harms us all,

**NOW THEREFORE BE IT RESOLVED**, the Nelson County Board of Supervisors supports equal housing opportunity and seeks to affirmatively further fair housing not only during Fair Housing Month in April, but throughout the year.

B. Resolution - **R2013-28** Minutes for Approval

**RESOLUTION-R2013-28**  
**NELSON COUNTY BOARD OF SUPERVISORS**  
**APPROVAL OF MEETING MINUTES**  
**(March 21, 2013, March 28, 2013, April 2, 2013, and April 9, 2013)**

**RESOLVED**, by the Nelson County Board of Supervisors that the minutes of said Board's meetings conducted on **March 21, 2013, March 28, 2013, April 2, 2013, and April 9, 2013** be and hereby are approved and authorized for entry into the official record of the Board of Supervisors meetings.

**IV. New/Unfinished Business**

A. Approval of 2013 Emergency Operations Plan Update (**R2013-24**)

Mr. Carter noted that there was nothing new in the plan since it was last presented and he asked the Board to give it favorable consideration so it could go forward to the state before the end of the month.

Mr. Saunders then moved to approve the Emergency Operation Plan update and resolution **R2013-24**, 2013 Emergency Operations Plan Update and Mr. Hale seconded the motion.

Mr. Harvey noted that he was the Director of Emergency Services and that Ms. Miller was the EMS Coordinator and he suggested that the resolution should be changed. Mr. Carter noted that staff would make the appropriate change to the resolution.

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

**RESOLUTION R2013-24**  
**NELSON COUNTY BOARD OF SUPERVISORS**  
**2013 EMERGENCY OPERATIONS PLAN UPDATE**

April 25, 2013

**WHEREAS**, the Nelson County Board of Supervisors recognizes the need to prepare for, respond to, and recover from natural and man-made disasters; and

**WHEREAS**, the County of Nelson has a responsibility to provide for the safety and well being of its citizens and visitors; and

**WHEREAS**, the County of Nelson has established and appointed a Director of Emergency Services

**NOW, THEREFORE, BE IT RESOLVED** by the Nelson County Board of Supervisors, that this Emergency Operations Plan as revised in April 2013 is officially adopted, and

**BE IT FURTHER RESOLVED** that the Emergency Services Coordinator, or her designee, is tasked and authorized to maintain and revise as necessary this document over the next five (5) year period or until such time it be ordered to come before the Board.

B. FY14 Budget Work Session

Ms. McCann noted that the Board had school funding, compensation, and other fund budgets to consider and they began with the other funds.

**Other Funds:**

Ms. McCann reviewed the handout on the other fund budgets as follows:

*Debt Service:*

Debt Service Fund

Debt service expenditures relative to the General Fund total \$1,066,268 and include debt service and trustee fees for the following:

- 1) Convenience Centers/Construction & Equipment
- 2) Courthouse Judicial Center (15 Yr. Refinancing, May 2013)
- 3) Radio Project

Debt service expenditures relative to the School Fund total \$2,264,740 and include debt service payments and trustee fees related to the following:

- 1) There is no outstanding debt for Bus leases or Tye River Elementary.
- 2) Rockfish River Elementary (VPSA Loan & Literary Loan refinanced 5/13)
- 3) Early Retirement Incentive (Refinanced in FY2000)
- 4) NCHS Renovations/ New Middle School (Lease Revenue refinanced in FY12 & VPSA)

All debt is supported by a transfer from the General Fund in the amount of \$3,331,008.

April 25, 2013

Mr. Harvey noted that Ms. Brennan had mentioned to him that the Board should reconsider a 20 year term instead of a 15 year term for the refinancing and he asked if there was other debt that could be rolled into it. Ms. McCann noted that there was no other debt that could be included and Mr. Carter noted that Ms. Brennan was looking at keeping more cash on hand by doing a longer term. He then noted that most recently, the savings of 20 years over 15 years was about \$90,000. Ms. McCann then noted that the term of the refinancing could be changed by May 3rd at the latest.

Mr. Hale noted that a key feature of this budget was the decrease in the cost of debt for the county which was substantial at a savings of \$211,249 from this year.

Following discussion, no action was taken by the Board or adjustments made.

*Capital Fund:*

Capital Fund

Expenditures reflect funding in the amount of \$300,500 that was allocated in FY12 (remains unspent) as a Capital Reserve for the School Division (TRE). The \$180,000 set aside in FY13 for school buses is shown in FY14 as a Transfer to the General Fund for purchase of buses. Also included is an unallocated Capital Reserve in the amount of \$1,017,475.

Revenues generated include only a small amount of interest earnings. The remainder of revenue reflected is the existing fund balance.

Mr. Harvey suggested putting in another \$180,000 for buses for this year so the schools did not get behind on replacing them. It was noted that this amount would purchase two buses and they wanted to stay on cycle.

Mr. Bruguere suggested that any investment in Broadband could be funded from this balance and Mr. Carter added either from that or the Courthouse Project fund balance.

Following discussion, no action was taken by the Board or adjustments made

*Courthouse Project Fund:*

Courthouse Project Fund

The Courthouse Project Fund expenditure budget for FY14 includes the anticipated remaining expense for renovation of the Jefferson Building. This budget assumes that the Blair Construction punch list is acceptably completed and retainage released before the end of the current fiscal year. Also included is a \$50,000 contingency.

April 25, 2013

The revenue to support the anticipated FY14 expenditures is fund balance. The estimated balance of funds after completion of the Jefferson Building renovation is approximately \$577,000.

Ms. McCann emphasized that the balance remaining assumed that the Blair retainage was paid in the current year and what was left was for the completion of the Jefferson Building.

Following discussion, no action was taken by the Board or adjustments made

*CDBG Fund:*

CDBG Fund

It is anticipated that the currently active grants —the Dental Center grant and the Broadband CDBG grant — will be completed in the current fiscal year. At this time, there are no other CDBG grants.

Ms. McCann noted that staff was working to complete the job counting for the broadband grant and that there was an extended time period to finish this component. Mr. Carter noted that the County had to have created 11 full time equivalents (FTEs). It was noted that most of these would come from the Blue Mountain Barrel House expansion. It was noted that there had not been any update from them on future expansion.

Following discussion, no action was taken by the Board or adjustments made

*Piney River Water/Sewer:*

Piney River Water/Sewer Enterprise Fund

In FY14, this budget reflects an increase in new connection installation expense. This is based on the same number of estimated new connections (2 Water/Sewer, 2 Sewer only) but assumes a higher cost based on recent estimates. The budget also reflects increases in maintenance and repair and maintenance supplies. These increases are attributable to the depletion of the grinder pump inventory (purchased with remaining project grant funds) and is projected using actual FY13 expense. Water and Sewer treatment expense reflects a reduction based on FY13 where there was an overall reduction in sewage gallons being treated. Other changes include an estimated 10% increase in electric charges and a small increase in legal expense, primarily fees for recording property liens.

Receipts for water and sewer fees are projected to be approximately \$110,270. Fees for connection and installation are projected to be \$42,000 (\$12,000 Connection Fees and \$30,000 installation expense). Expenses are anticipated to exceed revenues by \$62,000. This shortfall is covered by a transfer from the General Fund in the amount of \$50,000 and \$12,000 in anticipated fund balance at year end.

Ms. McCann noted that they did send away cores of grinder pumps for repair.

Mr. Bruguere inquired about the decrease in the expenditure line for water and sewer and Ms. McCann noted that this reflected a decrease in treatment costs since the number of gallons of sewage treated fluctuated. Mr. Carter noted that they may need to look at inflow and infiltration (ini) in the old system that was causing problems. Ms. McCann noted that the sewer number has been going down over time. Mr. Harvey and Mr. Hale noted that this may include water which was not metered. Mr. Carter noted that this may be metered at the pump station.

Mr. Carter then noted that the County was in a position to move forward with rate increases as they had not changed since they were established in 2006. Mr. Hale indicated that he was in favor of incremental increases and that this would put the County in a better position to make the transfer of the system to NCSA. Mr. Carter then advised that a five year rate increase period had been shown to NCSA; however it was noted that the NCSA wanted the County to impose the increases. Ms. McCann then noted that there was a substantial difference in the County's rates compared to the NCSA rates. She noted that the County rate for both water and sewer was about \$55.00 per month and the NCSA charged \$38.20/month for water and \$47.05/month for sewer. She added that if a grinder pump was installed this cost was \$25.25/month and the County's charge for this was \$4.50/month. Mr. Carter then noted that the NCSA charges for grinder pumps were subsidizing their operations since they were not spending as much on these as they were taking in.

Following discussion, no action was taken by the Board or adjustments made

*Broadband:*

Broadband Project Fund

All expenditures for the Broadband Project are expected to be paid out in the current fiscal year, such that the budget presented is for operations of the network. The FY13 budget reflected only a partial year of operations where the FY14 budget reflects a full year. New line items include equipment, installations, service contracts, and tower lease payments. Equipment includes electronics relative to connections. Installation expense is the cost to run fiber to new connections. This expense was projected assuming 30 new connections at an average cost of \$3,000 per installation. Service Contracts is relative to the Calix equipment. Tower lease payments relate to the contract with Rockfish Valley Fire Department which includes provisions for 25% of tower revenue to be paid to the Department.

The network is anticipated to generate revenue from network access charges (co-location, transport) and tower leases. Other revenue includes installation reimbursement. The current rate structure establishes a customer discount of 10%-50% (depending on contract term) on the first \$1,500 of installation expense and allows for the balance to be paid back over the term of the contract, up to five years. Revenue from installations is estimated assuming: 1) 30 connections 2) 5 year contract term 3) Maximum discount of

April 25, 2013

\$750 per customer 4) Non-Discounted cost paid back over 5 years. Expenditures are anticipated to exceed revenues by \$123,335. This shortfall is covered by a transfer from the General Fund in the amount of the shortfall.

This budget may need to be amended as the year progresses.

Ms. McCann reiterated that this budget was a moving target right now.

Mr. Bruguere then suggested using the remaining courthouse fund money to establish a capital investment pool for broadband.

Ms. McCann then explained how staff had estimated there would be a shortfall of \$90,000 in the fund. She noted that staff had figured on connections for 30 customers averaging an installation cost of \$3,000 each. She then noted that staff had applied the discount over 5 years to derive the revenue of \$13,500 coming in. She noted that potentially, staff could increase the \$90,000 general fund transfer to incorporate Mr. Bruguere's suggestion.

Mr. Harvey then proposed putting in \$350,000 for the capital investment pool.

Mr. Carter noted that staff needed to do some additional work on this budget and there would likely be more changes; however once it was finalized it could be approved by them quickly. Mr. Hale noted that getting a realistic number was the challenge.

Mr. Carter then reported that the NCBA was incurring costs now and staff would have to do a budget amendment for this year.

Mr. Harvey suggested that the Board give their consensus that the funds would be made available so that the NCBA could proceed with pending installations. Ms. McCann noted that there would be installations hitting the books now before June.

Mr. Bruguere suggested putting in \$250,000 now and members agreed by consensus.

Ms. McCann then asked for clarification on doing this for this fiscal year and Mr. Hale confirmed this and noted that he preferred that the funds come from the Capital Fund.

Mr. Harvey then moved to authorize a transfer of \$250,000 from the Capital Fund to the Broadband fund and Mr. Saunders seconded the motion. There being no further discussion, Supervisors voted unanimously (4-0) by roll call vote to approve the motion.

*Schools:*

Ms. McCann noted that the schools request totaled \$1,476,984 and that with all of the Board's changes accounted for, the total recurring funds in the general fund contingency was \$1,429,934.

April 25, 2013

Ms. McCann then noted that figures had been provided to the Board on the cost of 1%, 2%, and 3% across the board raises for county and school employees.

Ms. McCann explained that the school's request contained changes to their pay scale, the inclusion of a teacher performance bonus system that was tied to the evaluation process required by the state, and a 3% across the board raise for administrative staff, support staff, and bus drivers. Members and staff noted it was hard to tell what percentage raise people would actually get as it would vary so much per person.

Mr. Hale then noted that the school's main budget detail showed the instructional salaries percentage increase was 10.4%. Mr. Bruguiera added that they also wanted to raise entry level teacher salaries to \$43,000 and that he thought this was out of line.

Ms. McCann noted that they could give a 3% raise for much less than what has been proposed and Mr. Carter added that funding their request would use all of the County's recurring revenue from the contingency.

Members briefly discussed how to decide on the funding to provide to the schools and it was noted that they should be given a bottom line and then they can decide how to use it.

In response to questions, Ms. McCann noted that funding a 3% raise and the proposed bonus program would cost around \$675,000. She then noted that there was still \$200,000 in the school's Health Insurance differential that was not included in their original request. Members then discussed the new monies provided the schools over the past several years and Ms. McCann noted that it ranged from \$500,000 to almost a million in FY13; which she noted was partly due to the state mandated salary adjustment.

Members and staff discussed replacement of the asbestos tile floor and staff noted that this was not necessary until the tiles started coming apart. It was also noted that Dr. Collins wanted to replace the gym floor at Tye River Elementary School and Mr. Carter suggested that the Board use nonrecurring funds to address any capital projects that they may have.

Members and staff then discussed the increase in health insurance costs and Ms. McCann noted that the County offered two different plans and employees that opted to go to the higher level plan would get the same County contribution as the lower one. She added that the employee would have to buy up and that there would be a 4% increase on either plan. Ms. McCann noted that the school's proposed to cover the cost of the increase for employees.

Members noted that they thought that all of the increase to the school's premiums should not be borne by just the Schools but should be shared by both the Schools and the employees.

Ms. McCann then noted to the Board that \$24,500 more had been requested to fund the Nursing program during summer school. She noted that school nursing was funded 100%

April 25, 2013

by the County and was shown in a separate transfer in the budget. Mr. Carter added that the State provided funding for school nurses; however it was not expended on this program.

Mr. Harvey then noted that the schools would be spending a lot of money on school security in the near future.

Mr. Carter noted to the Board that if all of the recurring funds were allocated and the reassessment came back with a decrease in values, the Board could be facing consideration of a tax increase. Mr. Hale agreed and noted that keeping some of the recurring funds would help to offset this. Mr. Carter added that the Board had about seven cents to work with based on a penny being equal to \$218,000. He also noted that staff had built the budget on the assumption that the Board would equalize the tax rate next year and if they did not there would be a big financial hole now.

Mr. Bruguieri suggested that the Board provide funding of \$750,000 and that they keep the gym floor expenses separate.

Mr. Carter then reported that everyone in the region was giving a 3% raise and that the state was providing 2% towards the SOQ positions. Ms. McCann noted that a 3% raise would cost \$494,000 and the performance bonuses would cost \$181,000.

Members then agreed by consensus to tell the schools they were getting new funds of \$750,000 and that they would have to come back to the Board about funding for replacement of the Tye River Elementary gym floor.

Ms. McCann then advised the Board that a 3% raise for County employees would cost \$129,000 and Mr. Harvey noted to staff that this could be assumed; with no objections raised by other members.

Ms. McCann advised that they needed to discuss the timing on approving the budget and noted that final budget numbers would be needed by May 10<sup>th</sup> in order to hold a public hearing on May 23<sup>rd</sup>. Members then agreed by consensus to authorize the conduct of the budget public hearing on May 23<sup>rd</sup>. Ms. McCann then noted that the public hearing had to be published 7 days prior to the public hearing and if it were held on May 23<sup>rd</sup>, the Board could then adopt it at their first June meeting.

Members reiterated their consensus to hold the budget public hearing on May 23, 2013 at their regular meeting.

Mr. Hale then introduced the thought that the County work on providing merit raises to employees instead of an across the board increase. Ms. McCann suggested that this year may not be the best time to go to this because employees have not really had a raise in a while. She noted that staff would need time to evaluate how this would work and there were concerns about how this would affect constitutional officers etc. She added that she thought that a combination of a cost of living adjustment and performance pay could be a

April 25, 2013

viable solution. She added that this also had the potential to cause animosity among employees.

In conclusion, Ms. McCann then confirmed with the Board that the School Nurse funding was to be level funded and that the schools could use part of the \$750,000 in new operational funding to fund the summer school nurse if they chose to.

**V. Other Business (As May Be Presented)**

*Introduced: School Bleacher Replacement*

Mr. Harvey noted that He, Dr. Collins, and Mr. Carter met with a representative from the bleacher company that day and he was going to provide a price quote for doing the bleachers. He noted that they looked at 9 rows x 99 ft bleachers that would seat 500 people. He added that they looked at moving them over to the 50 yard line and that way they would match the Home side bleachers. He then noted that in order to do this, the roadside end would have to move or be extended by 30 ft or more; however there should be more than enough dirt to fill in there. Mr. Harvey then noted that it was ounding like more of a doable project now and that they were only talking to them about doing the bleachers. He then added that the pad would be there. Mr. Carter then added that the sales representative could get their distributors to quote on it and Mr. Harvey noted that the cost should be about half of the last estimate provided by Mosely.

**VI. Adjournment**

At 8:45 PM, Mr. Harvey 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.