

BOARD OF
SUPERVISORS

ERNIE Q. REED
Central District

JESSE N. RUTHERFORD
East District

J. DAVID PARR
West District

DR. JESSICA LIGON
South District

A. CAMERON LENAHAN
North District



CANDICE W. MCGARRY
County Administrator

AMANDA B. SPIVEY
Administrative Assistant/
Deputy Clerk

GRACE E. MAWYER
Director of Finance and
Human Resources

**AGENDA
NELSON COUNTY BOARD OF SUPERVISORS
JULY 14, 2026**

**THE REGULAR MEETING CONVENES AT 2:00 P.M. IN THE
GENERAL DISTRICT COURTROOM AT THE COURTHOUSE IN LOVINGSTON**

I. CALL TO ORDER

- A. Moment of Silence
- B. Pledge of Allegiance

II. PUBLIC COMMENTS

III. CONSENT AGENDA

- A. Resolution – **R2026-51** Minutes for Approval
- B. Resolution – **R2026-52** FY26 Budget Amendment
- C. Resolution – **R2026-53** FY27 Budget Amendment

IV. RESOLUTIONS OF RECOGNITION

- A. **The Honorable Michael R. Doucette (R2026-54)**
- B. **NCHS Varsity Girls Soccer Team (R2026-55)**
- C. **NCHS FFA (R2026-56)**

V. PRESENTATIONS

- A. VDOT Report
- B. NCSA Report – Wintergreen Wastewater Treatment Plant (NCSA Staff)

VI. NEW & UNFINISHED BUSINESS

- A. FY26-27 Budgetary Matters Update
 - 1. School Division Additional FY27 Funding Request
 - 2. Approved State Compensation Board 3.5% COLA Effective August 1, 2026
 - 3. Initiation of Referendum for Optional 1% Sales Tax for School Capital (**R2026-58**)
- B. FY26-27 Employee Salary and Classification System (**R2026-59**)
- C. Ordinance Confirming One-Time Employee Bonus (**O2026-02**)
- D. EMS Generator Upgrade Project – EMN Proposal for Electrical Engineering & Remediation Assessment (**R2026-60**)
- E. Renewal of Davenport Financial Advisory Agreement (**R2026-61**)

- F. Larkin Property Acquisition (683 acres Lovington)
 - 1. Property Purchase Overview
 - 2. Property Purchase Financing Schedule & Proposed Financing Options – Davenport
(R2026-62)
- G. Authorization of Public Hearing to Amend FY27 budget to include Larkin Property Purchase and WWTP DEQ Consent Order Costs. (R2026-63)

VII. REPORTS, APPOINTMENTS, CORRESPONDENCE AND DIRECTIVES

- A. Reports
 - 1. County Administrator's Report
 - 2. Board Reports
- B. Appointments
- C. Correspondence
- D. Directives

VIII. OTHER BUSINESS (AS PRESENTED)

IX. ADJOURN AND CONTINUE TO JULY 15, 2026 AT 6:00 PM FOR A JOINT WORK SESSION WITH THE PLANNING COMMISSION.



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**RESOLUTION R2026-51
NELSON COUNTY BOARD OF SUPERVISORS
APPROVAL OF MINUTES
(March 20, 2025 and June 30, 2026)**

RESOLVED, by the Nelson County Board of Supervisors that the minutes of said Board meetings conducted on **March 20, 2025 and June 30, 2026**, be and hereby are approved and authorized for entry into the official record of the Board of Supervisors meetings.

Approved: July 14, 2026

Attest: _____, Clerk
Nelson County Board of Supervisors

Virginia:

AT A CONTINUED MEETING of the Nelson County Board of Supervisors at 6:00 p.m. in the Former Board Room located on the fourth floor of the Nelson County Courthouse, in Lovingston, Virginia.

Present: Ernie Q. Reed, Central District Supervisor –Chair
Dr. Jessica L. Ligon, South District Supervisor – Vice Chair
Jesse N. Rutherford, East District Supervisor
Candy McGarry, County Administrator
Amanda B. Spivey, Assistant County Administrator/Deputy Clerk
Grace E. Mawyer, Director of Finance and Human Resources

School Board

Margaret Clair, Trustee, Central District - Chair
Ceaser Perkins, Trustee, South District
George Cheape, Trustee, East District
Dr. Amanda Hester, Nelson County School Superintendent
Ms. Shannon Irvin, Assistant Superintendent for Instruction

Absent: J. David Parr, West District Supervisor
Thomas D. Harvey, North District Supervisor

School Board

Shannon Powell, Trustee, West District
Janet Turner-Giles, Trustee, North District

I. CALL TO ORDER

Ms. Clair called the School Board meeting to order at 6:00 p.m.

Mr. Reed convened the Board of Supervisors meeting at 6:00 p.m. with three (3) Supervisors present to establish a quorum. Mr. Parr and Mr. Harvey were absent.

II. JOINT MEETING BETWEEN BOARD OF SUPERVISORS AND SCHOOL BOARD

Mr. Cheape moved to approve the Nelson County School Board agenda as presented. Mr. Perkins seconded the motion, which passed unanimously (5-0) by voice vote.

Dr. Hester stated that there are assumptions and challenges as they work through the budget. She said March 24 is the deadline for the Governor to approve and send the budget back to the General Assembly, and they are assuming the General Assembly budget will be approved. Dr. Hester said they are working off an enrollment of 1,417 and a health insurance increase of 12%. She referred to continued operations of equipment and federal grants, including IDEA for special education, Title I for at-risk students, Title II for professional development, Title III for ESOL students, Title IV for innovative learning, and other grants, noting IDEA, Title I, Title II, and Title IV as especially impactful.

Dr. Hester stated they assume they will receive those funds for the coming school year. She said challenges include inflation and rising costs, as well as the difficulty of finding qualified, endorsed, certified individuals for specific positions. Dr. Hester noted there is also an enrollment decline, slowing somewhat but expected to continue over the next five to ten years. She stated that state mandates and uncertainty of funding are significant, as much recent education legislation has been proposed without sufficient funding, creating unfunded or underfunded mandates.

Dr. Hester said four major differences exist from the previous budget: salary increases, health insurance, safety, and new positions. She stated the salary increase provides a 3% raise, but explained that the 3% raise is specified for standards of quality (SOQ) positions, which typically cover two-thirds of personnel. Dr. Hester said the teacher scale will increase by 2.97%, support staff and bus drivers by 3%, and admin staff by an average of 2.61%. She said they are targeting veteran staff, especially those with fifteen years or more, calling them master teachers and staff, and emphasizing the value of minimizing turnover.

Dr. Hester stated the health insurance increase is 12%, noting no increase last year. She said safety remains a priority, with continued improvements in cybersecurity and threat detection technology, and emphasized protecting their most valuable assets. Dr. Hester said three positions are being added: an assistant principal at the elementary school, which would provide a full-time addition at each elementary school, rather than

sharing one assistant principal between the two elementary schools; an additional elementary teacher; and an additional special education teacher due to projected enrollment increases in specific areas. She stated sharing an assistant principal was attempted twice but found not conducive to supporting all students or staff.

Ms. McGarry asked for Dr. Hester to explain the step that is included for the support staff and bus drivers.

Ms. Irvin explained that their salary scales are seniority based, so for each year of service, an employee moves a different step that is typically 1/2% of salary; so if they increase the scale 2.5%, a half-step increase would total 3%.

Dr. Hester stated that the local composite index is a complicated formula, but it serves as the established funding platform for school divisions. Dr. Hester said that there was a drastic increase in their LCI from the previous biennium, and they are now in the second year of that period. She said that a new LCI is expected to be released in November, but currently, they are working with .6645—a significant increase compared to surrounding areas.

Dr. Hester said that this means Nelson as a locality is expected to pay 66.45% of the budget, with the state responsible for the remaining 33.5 or 33.6% of the SOQ cost. She clarified that when people hear about a raise, it is not so straightforward; SOQ positions receive a 3% raise, but the LCI component is deducted. She noted that the locality must make up the difference.

Dr. Hester explained that they have advocated to state legislators and representatives to reconsider the funding formula, emphasizing that for small, rural resort areas, it does not accurately reflect their capacity to support education. She said that this funding, based on the state's calculations, is what they receive. Dr. Hester reminded everyone that the LCI is .6645 and clarified that if the SOQ alone were funded, the number would be about two-thirds, which does not accurately reflect what is necessary to operate.

Mr. Cheape said that's also part of the larger conversation they've been trying to have with the state legislators, but just the whole funding formula in general, including the SOQs, needs to change.

Dr. Hester noted that she is not aware of straight funding off of SOQ to be successful.

Dr. Hester said it will require a healthy reflection on how these issues work and impact the various localities. She stated that in Waynesboro, there is no upset because the rate dropped and is so low. Dr. Hester said the highest rate is .8 and the lowest she has seen is around .18, with Bath County at .8 due to being rural and having a resort area. She stated again that there is no local control over this situation, and they have to live by it. Dr. Hester emphasized the importance of the issue, explaining that although SOQ funding exists, the LCI part makes it difficult to analyze in detail.

Dr. Hester said that reviewing all the details, the expenses changed by \$1.76 million, and increases are seen in salary enhancements, salary increases, and fringe benefits, totaling over a million dollars. She stated that the net new positions - the three positions discussed earlier are included in these costs, along with joint operations through PREP, Piedmont Regional Education Program. She explained that PREP is a special education program used for placements in educational classrooms like Ivy Creek and for parent resources, vision support, and other special needs services. She stated that capital outlay included \$355,000 for buses.

Dr. Hester said that purchase services include Zero Eyes, a threat detection technology integrated with software and camera systems, which she described as an added layer of safety. She stated that this safety measure is expensive, costing \$97,000. She added that utilities, Internet, travel, and miscellaneous expenditures were also increasing, while materials and supplies, communication, and fund transfers were decreasing.

Dr. Hester said the result is a revenue increase minus an expenditure increase, which leads to an economic deficit of \$1,614,298 as the bottom line. She stated that per pupil expenditures are a common question and described the issue as complicated and not an apples-to-apples comparison. She explained that while one school division may spend \$23,000 per student, the next may spend \$20,000, with different components making up the costs.

Dr. Hester said the blended raw data includes all money sources—state, local, federal, grants—and that grant money is assumed to be fully used. She explained that seeking alternative funding sources still factors into the total expenditure, which is not always local funding.

Dr. Hester emphasized the increasing SPED population and growing special needs, which require more and more intensive services, driving up costs. She stated that the blended raw data for all students is \$23,909;

for regular education students only, \$20,551; for special needs students only, there is a drastic increase to \$38,643. She said that many expenditures are mandated, leaving little flexibility, and include outside placement, residential day, and multiple student services. She explained these are costly but necessary, as some students require environments outside of comprehensive school classrooms, and those services demand greater expenditures.

Dr. Ligon asked if this was happening all through the state at the rate that it is here.

Dr. Hester responded that it is increasing here, partly due to greater recognition of needs. She reported that they were seeing it more with their younger kids, noting that there is more assessment with younger kids, and they recently addressed developmental needs at a pre-K and kindergarten registration, with some students coming in with potentially undiagnosed cerebral palsy. Ms. Clair indicated that localities must provide services for kids who are not enrolled in local schools, as stipulated by law.

Mr. Reed commented that urban areas tend to have resources available to students; rural areas do not.

Ms. Irvin stated that the schools are responsible for kids aged 2–21, which covers them before and after school age.

Dr. Hester pointed out that not all of the kids are in classrooms every day, but the schools are still equally responsible to provide services—and not all of those are all day, such as speech therapy. She stated that with facilities like Ivy Creek, where enrollment in the program has dropped but the per-pupil cost increases because they still have to provide the services and pay for space.

She stated that when there are discipline or behavioral issues, those students are still required to be educated and provided with services and cannot just be suspended indefinitely. She said there must be a pathway to provide that, and it's getting tougher and tougher to find open vacancies in some of these programs, along with the program costs going up.

Dr. Ligon said she had heard that there are children with disciplinary action who have been kicked out of public schools, and those families move to Nelson because we provide more to children who cannot attend school. She asked if that was true. Mr. Cheape commented that it was unverifiable and there was no way to know. Dr. Hester explained that if a student was still under disciplinary, depending on what that was for, wherever they try to move to and enroll, that school division is going to have to request records. She said that to her knowledge, that is something that she would look into. Dr. Ligon commented that this was prior to Dr. Hester's tenure when she had heard this. Dr. Hester commented that she did not know how other school divisions could bypass providing the necessary services their residents.

Dr. Ligon asked what percentage of SPED kids need to be part of the population where the School Division just starts offering these services and is not driving them around. She said her question pertained to what the threshold is before the County stops driving SPED students around and they figure out how to fix the problem here. Dr. Hester said that they see that with the addition of the Early Childhood Special Education classes, because of the threshold of having no more than eight (8) students per class. She noted that these students are taught in-house and that number would grow. She said in maintaining a proper student-teacher ratio, they would have to keep adding staff.

Dr. Hester explained that as long as they are required to provide those services and those on the IEP team have decided that is the appropriate least restrictive environment, that is what the Schools have to provide. She said if they were to create a program that is in-house, that would require them to have the space and the qualified individuals to provide those services in the appropriate environment. She emphasized that it's increasingly difficult to find counselors and behavioral specialists; as an example, they are currently looking for an executive director of Ivy Creek. She added that larger localities like Albemarle may be trying to create some programs internally. Mr. Cheape said that if they were to research every type of special education disability and put them into a list, the School Division would have to put programs in place to cover everything on that list. He commented that he had never seen a one size fits all scenario, and to employ that many people would have an adverse impact on the School budget. He noted that the School Division was currently sharing those costs by driving students to other places. Dr. Hester noted enrollment fluctuations and the fact that the School Division constantly monitors IEPs and the services required, and then assigns staff accordingly, which may require shifting staff members from one school to another.

Mr. Rutherford suggested that an ongoing Board discussion is economies of scale and the capability to provide services regionally.

Mr. Cheape pointed out that if localities like Albemarle start providing services in house, the cost for other localities goes up because they are assuming more of the share.

Ms. Irvin mentioned that Ivy Creek is a portion of the PREP program, but PREP also covers vision, physical therapy, occupational therapy, and other services.

Mr. Rutherford asked for the state's per-pupil allotment.

Ms. Irvin confirmed that it is \$4,800 per student.

Dr. Hester continued with her presentation, stating that smaller class sizes—particularly for younger ages—better support student achievement than a regular class size either with or without an aide. She said they participate in K–3 class size reductions and work to lower those ratios and provide the best environment. Dr. Hester said additional cost drivers are buses, increasing energy costs, and aging facilities, with the newest building being from 2003. She said that student performance and staff is enhanced with extracurricular activities, which is a lifeline especially for rural kids, and those things do cost money. She stated that the schools also provide curriculum to support multiple career pathways, which also helps rural children. She noted that grants also go into their budget, and they strive to find extra money that does not come from County taxpayers.

Dr. Hester commented that live birth rates and an aging population have both contributed to enrollment drops, and projections for the coming year are 1,423, with increases at Rockfish but leveling out elsewhere. In addition to an increased number of SPED students between last year and this year, Dr. Hester said they are also seeing a significant increase in the number of English language learners or RL learners—from 20 students in 2023-2024 to 84 students in 2024-2025. She noted that there is a large Hispanic population in the Rockfish area but a fairly significant population throughout the entire County. She stated that this means the effort placed on staff to communicate with and support them is even greater.

Dr. Hester said she provided a document with additional detail regarding student transportation needs, including mileage and conditions. Dr. Hester said several years ago, routes were combined in the afternoon as a cost-saving measure. She stated that they recommend a 15-year vehicle replacement cycle, but currently they are not meeting this recommendation. Dr. Hester said there are 21 buses in the fleet which exceed the recommended age, and three are out of service awaiting repairs. She noted that there are four buses in this budget request, which have an estimated cost of \$150,000 each. She said those are C3 series with air conditioning, which is now considered necessary. She said there are currently two electric buses in the fleet.

Mr. Reed asked if buses were paid for when ordered or when delivered. Dr. Hester and Ms. Irvin clarified that buses ordered are paid for upon delivery, which was about one year from the order date.

Dr. Hester said support for the maintenance and operation needs was appreciated, and moving forward with renovations is necessary. She stated all four schools are aging in different ways, mentioning that the middle school is the newest, built in 2003, while the high school consists of a 1955 wing, a 1970 wing, and a 2000s section. Dr. Hester said that high school projects focus on the 1955 wing but aim to bring all areas up to the 21st century, primarily addressing MEP needs so students receive services they deserve.

She added that Tye River was constructed in 1995 and has had some HVAC upgrades, while Rockfish, built in 1999, requires urgent HVAC replacement and operator controls. Dr. Hester stated these issues—especially with air conditioning—are the main challenges, particularly during summer and the start and end of school years. She said their ongoing Honeywell service helps but the School Division has been advised that these needs are urgent.

Dr. Hester said staffing remains a high priority, as hiring the best delivers the strongest services for students, which they deserve. She stated they struggle to fill certain positions as fewer people enroll in education or counseling programs at higher education institutions, making competition among school divisions fiercer. She said retirements among veterans and the effects of the great resignation are also impacting staffing, with more people leaving education for private sector jobs with different stressors.

She stated that as a service industry, 80% of their budget is allocated to personnel. Dr. Hester said they anticipate a 12% increase in health insurance costs, and are requesting the ability to reinstate the previously cut elementary school principal, a full-time elementary teacher—depending on enrollment—and a special education teacher for IEP roles. Mr. Reed asked if substitute teachers were considered support staff and whether they also received any across the board increases. Dr. Hester noted that they were not necessarily support staff. Ms. Irvin confirmed that they did typically provide the substitute teacher positions with cost of living adjustments. Dr. Hester commented that it was becoming more and more difficult to find substitutes.

Dr. Ligon asked if the capital outlay for buses at \$355,000 meant they were planning on buying buses through the school budget as well as requesting them from the County.

Ms. Irvin responded that it did not, explaining that the capital outlay figure is just for accounting purposes, as it includes anything that costs over \$5,000. She explained that the \$300,000 is a net of a reduction of switches that they bought last year, and they were adding \$600,000 for new buses. She said that it nets out to about \$300,000 or so, which was the change from year to year.

Mr. Cheape said that they wanted to put the buses in the budget this year because they had been in the capital budget previously which meant that they only bought buses when the County had that money available. He said that they have only bought a few in the last 7 years—and they had about 24 buses that were out of spec according to the state.

Ms. McGarry noted that she had taken the Schools request of \$1,614,298 and subtracted the \$600,000 to use the County's non-recurring funds. Mr. Cheape clarified that it would be in the schools operating budget, but the County would take it out of non-recurring funds.

Dr. Ligon stated that she went to the bus garage and spoke with Mr. Ashley, who said they need four or five new buses every year for a while. Mr. Cheape said that was accurate.

Ms. Clair commented that they used to have regular conversations about capital items, but that has fallen off in the last few years. Dr. Ligon asked what other capital items may be in dire need as well. Ms. Clair noted that the HVAC at Rockfish needed replacement and it was a significant amount of money. Mr. Cheape explained that the School Division had a service contract with a company that took care of these things, but as they near end of life, the manufacturer no longer provides support for them and then they are unable to buy replacement parts.

Mr. Rutherford said they had seen a few versions of the School's capital budget in the last few years, with the amount at about \$30–40 million, and the high school renovation conversations had dominated.

Dr. Hester said that through the high school renovation, many items from the CIP were being addressed. She stated that progress was being made, but since her time there, the efficiency and problems with the HVAC system at Rockfish had only increased. Dr. Hester said that the need for improvement had grown significantly. She stated that people in the community were voicing concerns, and they were addressing these as best they could. She noted ongoing lever replacements at Tye River. She stated that although the system was built in the 1990s, that was now quite some time ago. Dr. Hester said she believed that, as time goes on, replacing the system would only become more challenging and costly. She stated that both the availability of materials and the process of completing the work would present increasing difficulties.

Dr. Hester emphasized that the schools are prioritizing efficiency and staying within budget parameters, as she does not want to have to come back to the Board for additional funding. She noted that Moseley was the architectural firm working on the high school renovation, and they had been great to work with in this regard. Dr. Ligon asked if Tye River's HVAC also needed replacing. Ms. Irvin noted that had been done in 2013. Dr. Hester indicated that neither elementary school had air conditioning in the gym, noting that they had been built that way. She commented that it could get pretty warm during P.E. class in May. She noted that would be something to consider renovating in the future.

Mr. Rutherford noted that the school enrollment had declined by about 200 to 300 students since 2017. He noted that lots of people were waiting later to have children, if at all. He asked what the student population may look like in five to ten years, and what Nelson County could do to keep enrollment from declining further. Mr. Reed noted that people moving into the County tend to be beyond the age of having children. He said that one of the things the County was trying to prioritize in the Comprehensive Plan, was housing and family housing, but the lead time would take years.

The boards discussed the development of enrollment projections, noting that there is no way to estimate exactly how many kids in the community go solely to private schools.

Ms. Irvin said the County used to do a triennial census whereby they would go to houses and count, but the state discontinued that for safety reasons and relies on Weldon Cooper Center data.

Dr. Hester mentioned that some families are split, with children in both public and private schools.

Mr. Reed commented that the accreditation statistics that the Schools have achieved were pretty remarkable over the years. Dr. Hester noted that they were trending upward academically. She said one of their elementary schools had not been fully accredited due to chronic absenteeism. She said that some of the

accreditation components are not within their control. She reported that a new accreditation model would be coming into place soon and they were in the process of evaluating it so they would know what they were working towards.

Mr. Rutherford asked if something had changed with the attendance policy, perhaps per the governor.

Dr. Hester explained that compulsory attendance is a law, and there are federal expectations related to chronic absenteeism—which was missing ten percent of the school year or more. She noted that this was all absences together – excused, unexcused, and suspensions. She said that truancy is unexcused absences, which is different. She noted that chronic absenteeism has been around since 2017, but with COVID, they saw a huge increase in chronic absenteeism. Dr. Hester indicated that there was a direct correlation with attending school regularly and better performance academically. She said there has been increased focus on addressing absenteeism, and the schools' accreditation is attached to attendance.

Dr. Ligon noted that there is also a financial impact related to absenteeism. Dr. Hester confirmed that the average daily membership (ADM) does have a financial component tied to it. Dr. Ligon asked if attendance had gotten better. Dr. Hester responded that it has gotten better, and they are getting much closer to their pre-COVID numbers, and the goal is to drop below 15% chronic absenteeism at all schools. She mentioned that they have a “buyback” after-school program in which students can remediate previous absences by attending at least three hours.

Dr. Ligon commented that she has not been impressed with MACAA, the promises that they make, what the County gives to them versus how much the County gets back. She said they have an interim director who came before the Board recently—and he could not articulate why they were asking for more money. She asked where that puts the Schools with the after-school program if the County does not fund MACAA.

Dr. Hester explained that when she first arrived to Nelson, the School Division was using the YMCA for after-school program, and then in February of that school year, the YMCA gave two weeks' notice that they were no longer going to be providing the after-school program. She noted that the after-school program had been well attended, and then there was a decline in enrollment and staffing shortages. She noted that for awhile, the School Division filled in the gaps for after-school. She said that MACAA was then able to provide those after-school services, but it was a struggle to get it set up, as well as huge gaps in communication. She noted that it was hard to get parents to commit to something if they do not know what is being offered.

She said that MACAA pulled out completely from Head Start in this region, but some other localities are able to do that directly, but Nelson is not and is thus using CDI. She said this year, they were able to work something out with MACAA for afterschool—and while it started late, communication was much better. She said that by the time the afterschool program started with MACAA, most parents had found alternative afterschool care. She noted that there are 5 kids at each elementary school location, as well as four or five kids in Project Discovery at the high school.

Dr. Hester emphasized that if families have the knowledge and confidence that the programs will be there start to finish, those numbers will very likely increase. She mentioned that the Heritage Center is trying to develop and implement daycare and some after-school care.

She reiterated that Nelson is using MACAA for after-school right now, and she is truly thankful for that service. She added that this is a great conversation to have with families right now in terms of how many kids might use the after-school program the following year.

Ms. Clair commented that historically, MACAA has had a notable presence in the County, and the services provided to the community go beyond school programs.

Mr. Cheape mentioned that the Head Start pullout was an implosion, with about four days' notice.

Dr. Hester agreed that it was chaotic and frustrating, but said MACAA resolved that issue and provided more reliable leadership. She added that the more kids they can try to serve in pre-K and before, the better it is for everyone, not just families.

Mr. Reed said he wondered if there might be an opportunity to invest in their own resources to provide this.

Dr. Hester said they are working with other divisions to develop strategies and pursue grant funding. Ms. McGarry reported that MACAA had brought in an interim director who is a contracted consultant, and he was brought in to revamp the agency and help MACAA to hire a new executive director. Dr. Ligon asked Dr. Hester whether she would put any continued faith in MACAA when it seems they have failed the School

Division more than once. Dr. Hester stated that she would need to talk to the MACAA director to pinpoint the specific issues and have an independent conversation about what they are able to provide and how to ensure accountability. Dr. Hester indicated that she would reach out to MACAA's interim director, John Edwards. Mr. Rutherford suggested it would be good for MACAA to be reporting to the School Board because they are providing services to the Schools.

The Board agreed that it would be highly beneficial to have that conversation, in part to help inform the Board as to what is viable and whether the County should continue to invest in MACAA's programs.

Dr. Hester said she would like to run the numbers on how much it costs the schools to provide the after-school programs themselves—she commented that very few people want to do it for \$20 an hour.

The Board also concurred that the agency was at or near a breaking point where if they falter, the County will not continue to invest in them, despite their long history with service provision.

Board members agreed that this would be extremely helpful.

Dr. Hester stated that she has no problem asking them directly what the plan is moving forward to staff the after-school program and when they are going to start to look for enrollments. Mr. Perkins pointed out that MACAA was funded by the County and the School was the facility for the programs/services contracted by MACAA with the County. He said that when MACAA stopped providing certain services, then it fell back on the schools to provide those services. Dr. Ligon commented that how she saw that, was that the County paid MACAA for the service, and then the Schools ended up paying to do the service that MACAA had promised. She said that was frustrating. Ms. McGarry commented that the Schools had bore the cost to provide the service. Mr. Perkins noted that it was through no fault of the Schools, other than to provide for the needs of the families.

Dr. Hester mentioned that the high school is trying to create a community job fair to hold in May, and she asked that the County help engage businesses and community services to get them in front of the kids.

Mr. Perkins agreed that this was beneficial, and he mentioned a young man who started working with a business here but had never heard of it in his entire time in high school here. He said there was opportunity for businesses to come promote what they do and that they have jobs available in the County.

Dr. Ligon commented that the job fair is a lovely idea, but in her experience, the students who have come through her business and spent a few hours a week do not know what it is to be a quality employee—they do not understand the importance of being on time and often lacked communication skills. She added that two of them could not type, and it becomes a burden on the business owner to “raise more kids” in addition to the ones they have at home.

Mr. Cheape said he hears that all the time in his job and throughout the communities he works in.

Dr. Ligon stated that she would like to know that there is a program or class through the schools that teach those soft skills.

Dr. Hester responded that they are working really hard to develop graduates to be ready for the workforce and meeting the five Cs: communication, collaboration, creativity, critical thinking, and courage (leadership). She emphasized that these dynamics start at home and are the same at school, with significant effort put into just getting kids to show up at school every day. She added that the schools have also talked with Blue Ridge Medical Center, with their staff saying that parents come to them and don't know what to do when their kids are refusing to do anything.

Mr. Rutherford asked if there was currently a mentor program in existence. He noted that the Nelson County Homebuilders Association had discussed the concept of a mentorship opportunity and could suggest businesses interested in participating.

Dr. Hester responded that the schools are revamping some work-based learning opportunities, including folding them into accreditation. She said they would like to establish some work shadowing, internships, and externships, working with Dr. Yarzebinski to identify businesses and coordinate the effort. She added that adults need to set the behavior modeling for kids in terms of how to behave in a professional environment, with cell phones and social media being a huge issue all around. Dr. Hester commented that the younger generation is willing to forgo higher salaries for more time off. She noted that was a problem that we would all have to deal with.

Mr. Cheape said in his experience when he was teaching, they had a really robust internship program, and any student who was able to, was working. He said they would work well because their grade depended on it. He commented that his experience with employers is that it is a direct correlation to how much the worker is responsible for in their personal life. He explained that for a young person just recently graduated high school and still living at home, their odds of being a great, dynamic employee at the start, were diminished because they did not have any bills. He noted other dynamics that have been created because of COVID, people being able to stay on their parents' insurance for longer periods of time, and other factors. He said that kids were staying home longer, marrying later, and having kids later or not at all. He commented that the desire for more time off rather than higher pay was because they did not need as much money, noting that there were no consequences for actions.

Dr. Hester reported that they recognize the need for soft skills and were trying to embed them into classroom learning. She noted that they wanted the students to be successful as they go into the workforce.

Ms. Clair stated that she was part of a panel at the Youth Philanthropy Council, which was established as part of the Virginia Governor's School Project in 2024. She said that Council worked with the Nelson County Community Fund and Community Fund of the Central Blue Ridge, with both of those organization funding the Council. Ms. Clair said the kids on the panel were amazing and brought up truly pertinent questions about needs in the County, with the idea of going to middle school and elementary school and bringing the philanthropy concept back to the other kids.

Dr. Hester stated that there are both teachers and kids working really hard, and they need to continue moving collectively to understand how to contribute locally and create pathways for youth beyond school. She said they need to identify where job opportunities are, and there are ongoing conversations with PVCC and CATEC. She confirmed that she has also been working with CVCC and would continue to forge that path.

The boards talked about the urgent need for water and wastewater operators. Mr. Cheape commented that he got into the water and wastewater business in 1995 and it was like that then, and now there was a critical need. Mr. Perkins noted that some localities are having to hire outside firms to manage those systems—which turns into a nightmare. Mr. Reed commented that what's required to operate those systems today is extremely complex compared to what it used to be.

Mr. Cheape said that SCADA is a computer monitoring and valve/pump control system, which allows operators to manage a bigger plan with more functions and fewer people. He said the licensure has remained the same for a long time, but they have changed some of the testing parameters. He added that if you didn't have a college degree, you must do six months in a Class Four or higher class to get a Class Four license.

Dr. Ligon asked if the sentiment was still working your way up from the bottom, or if the expectation was that you wouldn't need to do that to get ahead.

Mr. Cheape responded that the issue is having people move from one company to another, so it's harder to grow your own employees. He said that students are being taught that they need to start at the bottom, but that's not always the case, and young people have an expectation that they should be paid top dollar—which the current worker shortage was playing into those expectations.

Dr. Hester stated that the lessons of ethics, manners, hard work, or mental health support are falling on the schools instead of entities that previously provided them, including home support. She said the schools need help to do that, but there must be a collective effort to set the tone. She said that part of that includes outreach to coordinate resources and identify which are providing needed supports and services.

Both Boards expressed appreciation for the time to meet that evening.

III. OTHER BUSINESS AS PRESENTED

There was none.

IV. ADJOURNMENT (CONTINUE TO MARCH 25, 2025 AT 10 A.M. FOR A BUDGET WORK SESSION)

At 8:01 p.m., Mr. Rutherford moved that the Board of Supervisors adjourn and continue their meeting to March 25, 2025 at 10:00 a.m. Dr. Ligon seconded the motion. Supervisors approved the motion by vote of acclamation and the meeting adjourned.

Mr. Cheape moved to adjourn the School Board meeting and Mr. Perkins seconded the motion. School Board members approved the motion by vote of acclamation and the meeting adjourned.

Virginia:

AT A SPECIAL JOINT MEETING of the Nelson County Board of Supervisors and the Nelson County Service Authority at 9:00 a.m. at the Nelson County Service Authority Administrative Building located at 620 Cooperative Way, Arrington, Virginia 22922.

BOS Present: Jesse N. Rutherford, East District Supervisor – Vice Chair
Ernie Q. Reed, Central District Supervisor
David Parr, West District Supervisor
Cameron Lenahan, North District Supervisor

Absent: Jessica Ligon, South District Supervisor

NCSA Present: Justin Shimp, North District Director - Chairman
Robert McSwain, East District Director
Ernie Reed, Central District Director
David S. Hight: West District Director

Absent: Sergio Sanchez, South District Director, Vice-Chairman

Staff Present: Candice W. McGarry, County Administrator
Amanda B. Spivey, Administrative Assistant/Deputy Clerk
Grace E. Mawyer, Director of Finance and Human Resources
George T. Miller, Nelson County Service Authority Executive Director
Jennifer Tyree Fitzgerald, Nelson County Service Authority Secretary/Treasurer

I. CALL TO ORDER

Mr. Shimp convened the Nelson County Service Authority meeting at 9:00 a.m. with four (4) Directors present to establish a quorum. Mr. Sanchez was absent.

Mr. Rutherford convened the Board of Supervisors meeting at 9:00 a.m. with four (4) Supervisors present to establish a quorum. He noted that Dr. Ligon was absent and he would be presiding.

Mr. Shimp thanked those in attendance and noted that there was a slight revision to the agenda, stating that the Boards would first receive a report from the Executive Director discussing the state of the Wintergreen plant, followed by public comment. Mr. Shimp said he would go over the rules for public comment as needed before that portion of the meeting. He stated that afterward there would be a joint discussion between the NCSA Board and the Board of Supervisors regarding the issues raised and how they would move forward.

II. JOINT MEETING WITH THE SERVICE AUTHORITY

A. Wintergreen Wastewater Treatment Plant Updates

Mr. Miller thanked those in attendance and stated that the Nelson County Service Authority (NCSA) was preparing to receive a new consent order from the Department of Environmental Quality (DEQ) for the Wintergreen Wastewater Treatment Plant due to the overflows that occurred during the 2024–2025 and 2025–2026 ski seasons. He said the cause of the overflows at the equalization basin was described in Section C, “Findings of Fact and Conclusion of Law,” Item No. Seven (7) of the consent order, and stated that the overflows resulted from the membranes not functioning as designed. He said the membranes become fouled, clogged, and will not allow the flow to pass through them, which creates backups in the treatment process, thus creating the overflows at the equalization basin.

Mr. Miller stated that the manufacturer, contractor, design engineers, DEQ, and NCSA were working collaboratively to resolve the problems with the membrane systems. He said that while this work continues, NCSA must submit to DEQ, a Plan and Schedule of Correction Action by July 10, 2026 for their review and approval, a detailed Short-Term Corrective Action Plan addressing how NCSA will avoid overflows during the upcoming winter season. He said the plan must include a schedule for implementation of the selected corrective actions to be completed as soon as possible, and no later than December 1, 2026. He reported that NCSA has employed an engineering firm to provide the plans required by DEQ.

Mr. Miller stated that mobile sewage treatment units were the identified solution for preventing overflows while the membranes are further corrected and tested for their intended flows. He said if the membranes failed the

cold-weather performance test, the temporary mobile sewage treatment units would need to remain in use until the membranes are corrected or replaced with a design process that will meet design specifications and pass performance testing. He stated that the mobile units must be ordered promptly, by July 15, 2026 to meet the DEQ deadline of December 1, 2026. Mr. Miller reported that the Short-Term Corrective Action Plan also includes pump-and-haul as a backup to the plant.

Mr. Miller stated that the estimated cost to avoid overflows during the upcoming winter season was \$4.1 million, and continued use of temporary treatment processes might be required until the plant could operate at its full average daily design flow of 0.36 MGD and daily peak design flow of 0.72 MGD for three consecutive days. He said the full extent and duration of the needed measures remained unknown; he could not provide a fixed total cost and asked that invoices be paid as they were received.

Mr. Shimp said he would take questions about the Short-Term Corrective Action Plan.

Mr. Shimp asked Mr. Miller to break down the \$4.1 million estimated cost to avoid overflows.

Mr. Miller provided the following breakdown of estimated costs:

Total Project Cost Estimate for Temporary 300,000 GPD Package WWTP by BluBox

Capital Cost Item Description	Cost
Delivery of equipment to site (by supplier)	\$174,000
Installation of equipment on site and startup (by supplier)	\$475,000
Freeze protection of equipment (by supplier)	\$270,000
Decommissioning (by supplier)	\$180,000
Removal of equipment and shipping to supplier (by supplier)	\$174,000
Site preparation, grading and pad site (by owner)	\$75,000
Site mechanical, piping, transfer pumps (by owner)	\$300,000
Site electrical and controls (by owner)	\$300,000
Generator and ATS for package plant (by owner)	\$425,000
Crane rental for loading/unloading (by owner)	\$25,000
Total Capital Cost	\$2,398,000
Operating Cost Item Description (5 month term) (by owner)	
	Cost
Package plant rental cost (\$96,765/month)	\$483,825
Generator diesel fuel cost (est. 14,400 gallons/month, \$5/gallon)	\$360,000
Plant operations cost (personnel, chemicals)	\$75,000
Total Operating Cost for 5 month term	\$918,825
Additional Project Costs Item Description	
	Cost
Engineering (15% of owner capital construction costs)	\$165,000
Contractor OH&P (15% of owner capital construction costs)	\$165,000
Contingencies (20% of owner capital & operating costs)	\$408,765
Permitting/approvals by Virginia DEQ	\$50,000
On-site inspection during construction	\$30,000
Total Additional Project Costs	\$818,765
Total Estimated Overall Project Cost	\$4,135,590

Mr. Miller reiterated that the total estimated overall project cost was \$4.1 million.

Mr. Shimp asked if that was just the mobile package plant or also the additional storage.

Mr. Miller said that no storage is included in this, and the only backup is pump and haul.

Mr. Shimp asked if there were any bids for this yet or if it was just estimates from experience.

Mr. Eric Anderson of CHA Consulting stated that it was both quote and estimates.

Mr. Shimp stated that if the five-month period extended to 12 months, approximately \$1 million in additional operating expenses would be incurred—and this duration would depend on whether the plant could be fixed in a timely manner. He said the NCSA would need to get through the upcoming winter ski season, and repairs or

fixes were not expected to be completed by then. Mr. Shimp said the mobile plant might need to remain onsite while the permanent plant was being remedied if structural repairs or improvements were required, though that was not yet known. He said the corrective action plan also referenced further cleanings and potential added staffing, and he asked whether those numbers were included in the \$4.1 million estimate.

Mr. Miller responded that they were not.

Mr. Shimp stated that in addition to the mobile plant, efforts would continue to diagnose and improve the existing plant. He said certain components had been installed incorrectly by the contractor, creating impacts that were still being sorted out and remedied, and retesting would be required once those issues were addressed. He confirmed with Mr. Miller that this work was part of the corrective action plan. Mr. Shimp said that additional costs in the hundreds of thousands of dollars were anticipated. He stated that the last cleaning cost approximately \$150,000 and was necessary to allow the system to be tested for peak performance and to determine whether the plant could meet contract specifications.

Mr. Rutherford said that DEQ required a corrective action plan and asked what the due date was.

Mr. Shimp confirmed that the deadline was July 10, 2026.

Ms. McGarry stated it was Item No. 7, located on Page 21 of 24 of the consent order.

Mr. Shimp said that the reason the meeting was important was that the Authority was not comfortable signing a commitment to the corrective action plan with DEQ because it did not have the money to cover the required work. He stated that Mr. Miller has to sign the plan by July 10, or the Authority would need to obtain an extension, and that signing would obligate the Authority to the commitments in the plan. He said the Authority did not have the cash, the bank capacity, or the ability to borrow the necessary funds in a timely manner.

Mr. Shimp stated that the Authority had only a small amount of credit available and said those matters could be discussed after public comment. He said the central issue was that the Authority had 10 days to commit to the plan or secure an extension, and the commitment involved costs the Authority could not currently fund based on the estimates received. He stated that improvements might reduce costs, but the Authority could not rely on that at this time.

Ms. McGarry asked how much leeway existed with timing between DEQ approval, signing a contract with the temporary station provider, and the December 1 deadline for having the system operating.

Mr. Shimp said he thought very little, as there were many other items that needed completion before installation—plumbing, pumps, wiring, and generators—and the lead time was practically days from the 10th.

Mr. Anderson said due to the lead time they would need to tell the rental company by July 15, so there would not be time for the DEQ to respond and get things installed by December 1.

Mr. Lenahan asked if the Service Authority was looking to have the temporary units running by December 1st.

Mr. Shimp stated that they basically had to proceed or they would be in violation again, which they could not allow. He said that everyone had gone to the meeting and told DEQ that under no circumstance would they be back there next February dealing with overflows. He stated that they would have to do whatever it took to remedy the situation.

Mr. Rutherford stated that from an operational standpoint, he wanted to know the size of the NCSA's equivalent to a general fund, similar to what the County operated with.

Mr. Shimp responded that the Authority did not really have a general fund, and while they had some cash in reserve, they did not accumulate much cash as they essentially ran a balanced budget every year. He stated that some years there was a gap between their depreciation expense on paper and their actual debt service payments, which yielded some additional funds. He said that over the last four or five years, they had accumulated about \$500,000 in CDs and a separate account with about \$1 million, which was not allocated whereas most other funds were. He said moving forward, the debt service payments at the Wintergreen plant were due in full and they were going to run a deficit in their cash position this year. He said that during construction times when they were making interest-only payments, they factored in the cost of the debt service and built up a little cash. Mr. Shimp said however, because expenses had increased so much, they were reluctant to raise rates on customers under their current fiscal budget and were likely to be in the hole by \$300,000 or \$400,000 in net cash from the start of the calendar year to the end of the calendar year.

Mr. Rutherford asked if the cost had largely been attributed to the Wintergreen Wastewater Treatment Plant.

Mr. Shimp stated that they had spent \$1-1.5 million, based on their previous audit, on engineering fees, Ovivo cleaning services, and pump-and-haul—and it was nothing to spend \$300,000 or \$400,000 in a matter of weeks there, which had been depleted somewhat. He stated that moving forward, they simply did not run a surplus to save any money.

Mr. Rutherford stated that the contractor had been responsible for some installation corrective action, and he asked if the contractor had been the one to fix those issues or if that was something the Authority was having to resolve outside of that.

Mr. Shimp explained that there were two screens—a fine screen and a coarse screen—at the headworks of the plant, which catch larger solids; those had been initially installed incorrectly by English Construction, which has since fixed them recently to the best of the Authority's knowledge.

Mr. Rutherford asked if the contractor was assisting with any reimbursement for the cleanings or if they had said no. Mr. Shimp said at this point, no. Mr. Rutherford asked if the contractor currently had outstanding obligations, either through a performance bond or the 10% retained for substantial completion.

Mr. Shimp responded that at this point, the Authority has not asked for reimbursement. He confirmed that there was still a retainer.

Mr. Parr asked for clarification as to whether the contractor said no, or whether the Authority had not asked at all.

Mr. Shimp stated that they had not approached the topic with the contractor, and the situation had unfolded over the last six months to a year. He stated that the NCSA Board had been under the impression that going into November of the past season, the plant would be 100% complete and everything would work—so the problems experienced in 2024 would not be repeated. He stated that this did not prove true, and they had the same problems because of things that were not built correctly, not finished and intalled, along with a variety of other issues they were addressing separately. He said the problem before them was that DEQ was going to give them a very tight deadline requiring them to fix the issues, and regardless of the deadline, they had to fix the problems and said they could not allow the same situation to occur again, including the overflows.

Mr. Hight suggested that Mr. Shimp point out that the problem with the screens had only been discovered in the last few months.

Mr. Shimp confirmed that this was correct, and during the previous two ski seasons they had learned the screens were not installed correctly, which had adversely affected the performance of the plant. He stated that they believed the issue had been fixed, which was an important step, but there may need to be repairs, replacements, or other fixes needed to the system because the problem had gone unrepaired for so long. He stated that they were working toward a more long-term fix.

Mr. Lenahan stated that he had reached out to Ground Effects Environmental Services, LLC, a company based in Canada. He said they charged \$2,000 a day for a mobile plant with a capacity of 250,000 gallons per day. He stated that transport costs ranged from \$20,000 to \$30,000, and installation costs ranged from \$20,000 to \$50,000. He stated that the company had worked with DEQ. He noted that it was a significantly cheaper option.

Mr. Shimp agreed that the option was a lot cheaper, but one of the problems with these systems was that the details of the permit limits varied by waters and by state. He stated that one of the tasks for their staff in the next week was to find any more economical approaches—but they also had to make sure any option would work. He stated that it was a challenge and said the schedule was far too compressed, but that was the situation they were in; however, they would certainly investigate that option. Mr. Lenahan stated that the dispatch time for Ground Effects Environmental was one to two weeks.

Mr. Rutherford the closed session on the agenda, and he wanted to understand what the expectation would be at the end of that session. He asked whether the County would need to provide a consensus indicating that they would assist, similar to how they had supported their financing, or whether a different specific action was required.

Mr. Shimp said that he had not intended to ask anyone to sit through the Service Authority's closed session, which may be lengthy because it would involve discussing litigation issues and the details of the consent order. He said before they began that portion of the meeting, it would ideally be the time for the Board and the County to give some indication that when the Authority proceeded, they would have financial backing.

Mr. Rutherford asked how that would look from the Board's perspective.

Ms. McGarry asked whether the indication of support needed to be a formal action or a general consensus to provide financial support.

Mr. Payne stated that consensus was sufficient.

Mr. Rutherford stated that he understood the severity of the situation and the consent order, but he did not want to commit to supporting the effort without clarity on the financial implications. He stated that he did not want to agree to provide support only to later find that the cost was not \$4 million but \$7 million. He said that the County had procurement rules and did not want to receive bills and write checks without knowing what was occurring. He stated that his expectation was that the County was willing to support the effort, but if at any point the Authority found a change in the plan that saved the County money, he wanted to know how that would be reflected and how they would be informed.

Mr. Shimp stated that the intention was not for the County's support to function as a grant; it would be a loan that the Authority would pay back. He stated that the system should be responsible for paying for itself, and he hoped he was not speaking out of turn for the NCSA Board. He stated that to repay the loan, they would have to raise revenues, which meant raising rates—and the process of adopting a new budget, raising rates, and securing borrowed funds would take time, and it would be December before they had money in hand. He said for their immediate issue, they needed what he described as a line of credit from the County to stabilize their situation, with the understanding that it would be repaid.

Ms. McGarry stated that, when appropriate, she would like there to be additional discussion about the Service Authority's ability to contribute to the short-term plan alongside the County.

Mr. Rutherford agreed.

Ms. McGarry stated that after reviewing the FY25 audit and discussing it with Service Authority staff, the Authority's unrestricted net position as of June 30, 2025, was approximately \$5.4 million. She said they had spent about \$1.5 million over the last year, which would place their current net position at roughly \$3.8 million. She stated that this indicated there was some ability for the Authority to contribute financially to the short-term plan—which was the only component for which they currently had solid numbers. She stated that regarding the long-term solution, no one had a clear sense of what that might be, and therefore she was not sure they could discuss or commit to anything further at this point.

Mr. Reed asked whether the net position referenced included coverage for debt service.

Ms. McGarry stated it did.

Mr. Rutherford asked whether the money referenced in the Service Authority's net position could be deployed toward the current situation or whether it had to remain restricted within the utility's financial pool.

Mr. Shimp stated that some of the money could be deployed, and the total cost of the quantified needs in front of them would completely wipe out their available funds and more, if it reached the total amounts.

Ms. McGarry suggested that a minimum contribution of \$1 million from the Service Authority seemed reasonable, unless there were other restrictions that limited the use of those funds.

Mr. Rutherford asked Ms. Fitzgerald and Mr. Miller whether they knew how the Service Authority's funds were restricted, and whether they were tied to VRA expectations requiring the money to remain in reserve or if the limitation was due to something else.

Ms. Fitzgerald responded that she had not yet had an opportunity to speak with the auditors to determine what was being referenced as "unrestricted funds" in the audit. She confirmed that the Service Authority did have several required reserves and was required to maintain a debt service reserve for VRA as well as Rural Development.

Ms. Fitzgerald stated that in addition to the required debt service reserves, the Service Authority also had operational expenses and unforeseen emergency expenses that had to be covered. She said they also had depreciation and other financial obligations that needed to be maintained within the budget.

Ms. McGarry noted that depreciation is included within the unrestricted balance referenced earlier.

Mr. Shimp stated that the Service Authority's financial position had been moving in the wrong direction since the audit was completed. He explained that the money spent on the current issues, combined with prior budgets,

had reversed what had previously been a slight annual increase in cash, about \$300,000-\$400,000 per year. He said that because revenues had not been raised enough to cover increased expenses, the Authority was experiencing an actual reduction in its cash position and was dipping into reserves.

Ms. McGarry stated that the Service Authority should still have approximately \$3.8 million available in its unrestricted net position.

Mr. Shimp stated that it might be appropriate to open the public comment period unless anyone disagreed. He said that after public comment, the Boards could finish their discussion and hopefully reach a consensus with the Supervisors on what to agree to.

Mr. Shimp opened public comments.

Stephen Bayne – Nellysford, VA

Mr. Bayne stated that he had originally prepared a different public comment, but after reviewing the shocking executive summary, he revised his remarks, asking for lenience on the three-minute limit.

Mr. Bayne recapped the timeline: In 2024, the new \$18.5 million state-of-the-art wastewater plant went online, and by December 2024 it began experiencing a long series of failures—operational, systemic, and otherwise. He argued that continuing to attribute the problems to ski season was disingenuous, given that roughly 18 months had passed since the failures began. He emphasized that the situation is what it is, but the issuance of a consent order on June 15 placed the burden squarely on citizens, because any financial impacts would ultimately be passed on to ratepayers.

Mr. Bayne noted that the upcoming July 21 public hearing involved a massive rate increase, and that even those increases were being described as insufficient given the fiscal situation, so everything would be passed down to the citizens. He stated that the County's recent \$9 million property purchase would also be passed along to citizens, and the cumulative effect was that residents were bearing all costs. He said the Boards were now facing a July 10 deadline, and that after 20 months of issues, no one should find this situation acceptable. Mr. Bayne argued that more diligence should have been exercised from the beginning and that the boards should have jumped on this from day one. He criticized the fact that only now was a short-term plan being presented and that no long-term plan existed. He stated that Ovivo, the engineers, or others should be contributing financially, given that the \$18.5 million plant was not functioning; if they were not already doing so, that would be negligent.

Mr. Bayne stated that he had submitted a FOIA request to the Service Authority regarding financial reserves, including reserves for a \$215,000 civil penalty, and was told there were none. He said as an accountant and CFO, he knew that was a violation of generally accepted accounting principles and constituted poor fiscal management.

Mr. Bayne also described the lack of transparency from both the County and the Service Authority as unfathomable. He said the issue did not emerge publicly until the April Board meeting, which he found unacceptable. He acknowledged the legitimacy of closed sessions but argued that residents—especially those living along Beech Grove Road near Pond Hollow Creek and the South Fork of the Rockfish River—were not informed for 18 months that they were potentially at risk. He said these residents use the river recreationally and rely on wells near the creek, and the lack of disclosure was completely irresponsible.

Mr. Shimp asked whether there were any additional public comments. Seeing none, he closed the public comment period and returned the meeting to directors' comments. He then asked whether anyone on the NCSA side wished to respond to anything raised during public comment or to make statements to the Board of Supervisors.

Mr. McSwain said he wanted to reinforce what Mr. Shimp had stated. He described the County's willingness to assist as essentially coming to the NCSA's rescue, and agreed that the Service Authority should contribute financially but did not yet know the exact numbers, noting that Ms. Fitzgerald would determine and communicate those details. Mr. McSwain stated that the situation reflected a long history of being told certain things by various parties that ultimately did not turn out as represented. He said they were now at a critical point where they were prepared to spend the money and would try to make the burden as manageable as possible. He emphasized that he did not want ratepayers to bear the full cost, but warned that without additional help from the County, that is what would occur.

Mr. Shimp said despite comments about transparency, the NCSA Board had been discussing the plant issues at every meeting for a long time, and anyone from the public could have attended. He said that unlike years past,

there was no longer regular press coverage or broadcasting of meetings, but the Board had been working very diligently on the matter from the beginning.

Mr. Shimp recalled the meeting where they first learned that holes had been cut in the equalization basin, which was the precursor to the problems that followed. He said the NCSA Board reacted strongly at the time, making clear to the contractor and engineer that the situation was unacceptable. Despite that, he said, things were still not adequately addressed before the most recent ski season, and the plant was not complete in the first ski season.

Mr. Shimp explained that “ski season” is referenced so often because flows during that period are three to five times higher than normal. He noted that the plant is operating fine now because flows are low, around 100,000 to 150,000 gallons per day, but during ski season peak days can reach 600,000 to 700,000 gallons per day.

Mr. Parr asked at what point the plant begins to fail.

Mr. Miller stated there was no definite time when the plant begins to fail.

Mr. Shimp explained that one of the major contributors to the plant’s failures was the improper installation of the screening equipment; because the screens were not installed correctly, debris was getting in when it should not have, and it caused the membranes to clog. He described the membrane system as entering a death spiral: once treatment efficiency drops, material accumulates more quickly, clogging worsens, and the plant rapidly declines in performance. He stated that when flows are under roughly 150,000 gallons per day, and when temperatures are warm, the plant runs smoothly with no issues; cold water, however, reduces performance, and higher flows exacerbate the problem. Although the system was designed for a peak flow of 0.72 MGD (720,000 gallons per day), he said it has not been able to achieve even one-fourth of that capacity.

Mr. Lenahan reacted to Mr. Shimp’s explanation about cold water reducing plant performance. He asked whether the plant engineers and contractors understood the system would be serving a ski resort.

Mr. Shimp responded that the engineers certainly knew the system would be serving a ski resort. He said there is considerable debate about where things went wrong, and determining this is part of the long-term corrective action plan. He emphasized that any deficiencies, whether in design assumptions or other factors, must be identified and addressed moving forward.

Mr. Reed said that one of the major issues throughout this situation is that the broader context has not been clearly articulated or fully considered. He emphasized that in the short term, the responsibility for addressing the plant’s failures falls squarely on the Service Authority and its Board; however, other entities also have obligations. He noted that the problems facing the plant are not solely, and perhaps not even primarily, the fault of the Service Authority—yet the Authority and the County are the ones who must deal with the immediate consequences. He said there were no realistic decisions the Service Authority could have made that would have changed the fact that they must assume responsibility while waiting for the other parties involved to fulfill their own obligations. He described the current situation as dealing with the short-term scenario, with many elements remaining unaddressed.

Mr. Shimp stated that the Service Authority paid for a plant designed to handle peak flows of 720,000 gallons per day, the level required during ski season, and they will ultimately get a plant capable of that performance. The problem, he said, is that they do not have that capacity today, which is why a corrective action plan is necessary.

Mr. Hight added context about why the plant and membrane system was chosen. He explained that the wastewater plant sits in a small hollow at the base of Wintergreen, leaving very limited space for construction. He said that early in the planning process, other treatment systems were evaluated, but they required significantly more land—land that simply wasn’t available, especially while keeping the existing plant operational during construction. Mr. Hight stated that because of these constraints, the membrane bioreactor system was selected: It fit within the tight footprint, allowed the old plant to remain functional during construction, and was considered the least expensive feasible option given the site limitations.

Mr. Shimp explained that why addressing the plant’s failures has taken so long is because only two or three weeks a year is when they encounter the conditions that lead to these problems. He stated that the core issues are that the conditions that cause the failures occur during the coldest part of winter when flows spike during ski season. He said the plant’s contract requires that performance testing occur in winter at those peak flow rates, because that is when the system is most stressed. Mr. Shimp said that Ovivo missed the testing window this past year, even though they were supposed to conduct those winter tests. Outside of that narrow period, he said, the Service Authority cannot replicate the necessary conditions: They do not have enough flow, nor can they simulate 26-degree temperatures.

Mr. Parr asked if that was the test that was supposed to occur in November.

Mr. Shimp clarified the test was supposed to be done in February.

Mr. Shimp explained that Ovivo had been paid \$164,000 to clean the membranes; after completing the cleaning, Ovivo left without performing the required winter performance test, which would have provided crucial information about the plant's ability to handle peak ski-season conditions.

Mr. Lenahan asked if Ovivo would clean the membranes for free when they returned to do the testing.

Mr. Shimp said Ovivo will need to return and perform the test during the next winter window, and that this is one of the issues currently being worked through. He acknowledged the situation is challenging and then turned back to the Supervisors, asking whether they had feedback or thoughts on how the Boards could secure a consensus of support, if the Supervisors were willing to offer it.

Ms. McGarry asked whether the Service Authority had approached Wintergreen for any assistance regarding the ongoing wastewater plant issues.

Mr. Miller confirmed that he had.

Ms. McGarry asked what Wintergreen's response was when approached, and whether the Service Authority had spoken with the Wintergreen Resort or with WPOA.

Mr. Miller explained that he first approached Wintergreen Resort for assistance, he was told that Park City would not hear it. He said he then went to WPOA, which told him that providing assistance wouldn't be fair to Stoney Creek. He said he walked away with nothing. He noted that he went to the County and was told that the County could not help them. He commented that this all took place in September 2021.

Ms. McGarry noted that the 2021 conversation Mr. Miller referenced would have been with her predecessor. She then asked whether there is enough physical real estate beside the existing Wintergreen wastewater plant to place the temporary pump station and solutions discussed.

Mr. Miller confirmed that there was enough space.

Mr. Parr said he was confused because the current plant failures began in 2024, yet Mr. Miller referenced outreach efforts from 2021.

Mr. Miller explained that in 2021, the Service Authority was trying to borrow money to fund the construction of a one-million-gallon equalization basin, which was intended to help manage peak flows and stabilize plant performance. Because they were unable to secure the needed financing, he said the basin had to be removed from the project due to cost.

Mr. Hight clarified that the equalization basin would have provided additional storage capacity, which would have prevented the overflows.

Ms. McGarry clarified that it would not necessarily have helped the plant function properly.

Mr. Parr asked whether there is data or an estimate showing how many days or how often overflows have occurred at the plant.

Mr. Shimp responded that the Service Authority does track overflow data daily and keeps a log, including the height of the overflow and the depth of water in the equalization basin, which can then calculate the volume of any overflow.

Mr. Anderson said they certainly know the duration of it based on the tank levels.

Mr. Shimp added that during the most recent winter season, this information was reported to DEQ daily or weekly, and the Authority was in constant communication with regulators throughout the overflow events. He emphasized that the Authority does track the data consistently.

Mr. Parr asked for an approximation of how many days the plant experienced overflow in the last 12 months.

Mr. Shimp said approximately 30 days.

Mr. Anderson said he recalled two overflow events, noting that there were more days of overflow in 2024, and he said there were around 60 with the first occurrence and about 28 days with the second.

Mr. Parr emphasized that there is a public perception that the plant is overflowing continuously, 365 days a year, dumping into the creek nonstop, but it's happening during peak season.

Mr. Shimp clarified that while overflows did occur, the discharged water flowed into a containable area rather than directly and freely into the creek. He acknowledged that some effluent did reach the stream, but emphasized that the Health Department and the Authority's independent testers sampled the stream; no E. coli was detected; and testing confirmed that the stream was not contaminated by the overflow events.

Mr. Reed added that the effluent is partially treated and has already settled before the overflow—meaning solids have dropped out and the water has undergone some degree of passive treatment.

Mr. Hight noted that the 750,000-gallon equalization basin provides continuous aeration, which further contributes to partial treatment. He confirmed that the basin helps break down organic material and moderate flow, meaning the water that overflows has undergone both settling and aeration before discharge.

Mr. Shimp stated the effluent discharge occurs after that.

Ms. McGarry asked if a separate equalization basin would have prevented the overflows, why was a temporary equalization basin not pursued. She wanted to know whether that option had been evaluated and why it wasn't selected as part of the interim solution.

Mr. Shimp explained why a separate temporary equalization basin was not a practical solution:

- The flow imbalance (the spread) is too large. The plant can treat 100,000 gallons/day, but during peak ski-season surges, it receives 600,000 gallons/day for three days, which creates a 1.5-million-gallon divide.
- To cover that deficit, the Authority would need a 2-million-gallon temporary basin, which would not physically fit at the Wintergreen site; the cost of that much temporary storage would be extremely high.
- Wintergreen already has a 750,000-gallon equalization basin, and engineers had previously told them that similar plants often operate with no equalization basin at all, so the plant already has more equalization capacity than many comparable facilities.
- Because the gap between incoming flow and treatment capacity is so wide, adding storage is not the real fix; even a large temporary basin would not solve the underlying treatment-capacity problem.

He also noted that installing a 2-million-gallon tank by December 1, the start of ski season, would be impossible.

Mr. Lenahan asked if well testing had been performed, noting that there are some hand-dug wells there.

Mr. Shimp said the Service Authority isn't aware of any problems with downstream wells and hasn't heard reports of issues from residents. He said surface-water testing showed no contamination, including no E. coli, which suggests groundwater was likely unaffected. He said testing found no trace of contamination in the creek, and no groundwater testing was conducted to indicate otherwise.

Mr. Rutherford asked Mr. Shimp to clarify how the \$4.1 million cost estimate would be distributed over time—how quickly the Service Authority expects to need those funds and when the bulk of the money would be required during the project timeline.

Mr. Shimp said that most of the \$4.1 million would probably need to be spent within the next 30 days, adding that they hoped to find a solution costing less than \$4 million but would still need the bulk of it immediately.

Mr. Anderson explained that the equipment manufacturer requires 50% of the equipment cost up front, and the remaining 50% is due upon delivery to the site. He estimated the upfront portion to be around \$2 million, though he would need to verify the exact number.

Mr. Lenahan asked how many gallons per day a treatment plant of this type is actually designed to handle.

Mr. Anderson responded that it was 300,000 gallons.

Mr. Lenahan asked why a company in Canada would sell him a plant that could handle 350,000 gallons per day for \$3 million.

Mr. Anderson asked what type of plant it was.

Mr. Lenahan clarified that it was a plant from Ground Effects Environmental Services, LLC.

Mr. Anderson stated that they were proposing a membrane plant that would discharge to meet the quality requirements the plant is subject to, but he could investigate other options.

Mr. Rutherford asked the Service Authority to clarify the timing of the funding needs. He summarized what he had just heard: Roughly \$2 million would be required within the next 30 days, unless a cheaper option emerges.

Mr. Shimp said the remaining funds would likely be needed within 90 to 120 days.

Mr. Rutherford asked how long it would take for the Authority to determine whether \$1 million from its own fund balance could be used to support the project.

Ms. Fitzgerald said she can reach out to the auditor today to begin determining whether the Authority has \$1 million in available fund balance and could likely get an answer sometime this week.

Ms. McGarry added that the auditors should be quite responsive.

Mr. Rutherford said the auditors will understand how serious the situation is, and the Board will need regular, ongoing reports as the project moves forward. He described the entire matter as frustrating and unfortunate, and acknowledged that the financial burden won't resolve itself, so the Board will have to figure out how to front the money.

Mr. Rutherford emphasized that every party involved in the events that led to this failure needs to be approached and asked to help resolve the issue, both financially and with technical expertise. He noted that when a major problem occurs, the responsible parties typically have to help resolve it monetarily. He said he doesn't know what is being discussed in closed session, and his understanding is that the Board of Supervisors will not be participating in that session today.

Mr. Rutherford said he understands the Authority must act, and suggested that if they can contribute \$1 million, the County can contribute \$1 million, then both sides would be committing to seeing the project through. He stressed that the Board will need clear, strong indications from all entities involved about what they are going to do to help fix the problem. He emphasized that non-answers are unacceptable, and any entity involved must begin assisting publicly to help resolve the issue. He closed by asking the Board what they think of the idea of contributing \$1 million if the Authority can confirm its own \$1 million quickly.

Mr. Parr said his notes lined up exactly with Mr. Rutherford's comments, and he reiterated several of the same concerns. He expressed disappointment—after all the time leading up to this—that they don't know what money is available to help. He said his expectation is that the Authority should be able to contribute \$1 million toward the fix, and both the County and the Service Authority are under the gun with this. He reiterated that they have no choice but to resolve the problem, and the County will support the Authority, even though he's not happy about the situation.

Mr. Parr stressed that the Authority must show due diligence in pursuing responsibility, reimbursement, and answers from all parties who had obligations in the events leading up to the failure. He said he expects reports documenting what questions were asked of those entities and how they responded. He specifically mentioned the contractor responsible for the screen installation error, saying they owe not only reimbursement for the faulty work but also for the liability it created.

Mr. Parr addressed Mr. Hight, Mr. Reed, and Mr. Shimp directly. He said that as the West District Supervisor, he was extremely disappointed that this issue persisted for so long without the Board of Supervisors being informed. He acknowledged that he could have attended Service Authority meetings, which he doesn't really have time to do, but emphasized that the Authority's representatives have a responsibility to communicate major problems to the Board. He said it was unacceptable that the Board learned of the situation only in February, roughly a year after problems began. He said he expects better communication going forward, whether it's this issue or any future one.

Mr. Parr closed by saying the County is willing to help the Authority get through this crisis, but he expects accountability and communication from all involved going forward.

Ms. McGarry asked about the purchase cost of the temporary treatment system they're proposing to rent for \$4.1 million, and whether any portion of the rental cost would be applied toward eventual ownership. She noted that this idea may have been mentioned briefly in an earlier conversation she had with staff when the issue first surfaced.

Mr. Anderson explained that renting the temporary treatment units costs about \$100,000 per month to rent three units, with each unit sized to handle 100,000 gallons per day. He said the arrangement is lease-to-own, meaning the rental payments are applied toward eventual ownership; at the current rate, they estimate it would take three to four years to fully own the equipment. He noted that the total ownership cost works out to about \$1.2 million per 100,000-gallon treatment unit, which may not be the least expensive option.

Ms. McGarry asked for the total cost to own the system.

Mr. Anderson said the estimated cost would be \$3.6 million to own just the equipment, with additional expenses for installation and operations on top of that.

Mr. Shimp clarified that a large portion of the total cost isn't just the equipment, it's the setup and installation of the temporary treatment system. He agreed with Mr. Anderson's earlier explanation that the lease-to-own structure means the Authority would essentially own the units after about four years of rental payments. Mr. Shimp stated if the original wastewater plant ultimately cannot meet regulatory standards, the Authority could potentially keep the leased system permanently and then seek reimbursement for its cost from whichever parties are found responsible for the failure. He said in other words, the temporary system could become the long-term solution if needed, and the Authority could pursue repayment later. Mr. Shimp also noted that there are still other issues that complicate the situation, so it's too early to know how everything will play out. He confirmed the rough estimate that setup alone is around \$2 million, separate from the equipment cost itself.

Mr. Anderson added there would be operating costs in addition to the unit price.

Ms. McGarry noted that if the Authority was already paying rental fees on the unit, she wondered why they couldn't just pay the remainder to keep it.

Mr. Reed said they also must consider who is liable for the original wastewater plant, which was guaranteed to operate at a specific performance level but has repeatedly failed to meet that standard. That question of liability, he emphasized, has shaped the Authority's approach from the beginning. Mr. Reed explained that the Authority has been trying to avoid taking actions that might complicate or weaken their ability to recover costs later from the parties responsible for delivering a functioning plant. He said their goal has always been to ensure that the people who were supposed to produce a compliant, working facility actually do so, and to give those parties the opportunity to fix the plant without prematurely shifting the financial burden onto the Authority or the County.

Mr. Rutherford said he believed a few possible outcomes were likely. He stated that one possibility was that the current membrane product could be replaced with another membrane that would require little to no change to the plant's internal mechanical systems if the existing product could not be made to work. He said the first and preferred outcome was that the product supplier would succeed in getting the plant to operate at the level it was originally supposed to.

Mr. Rutherford stated that if the supplier could not achieve that, the next step would be determining how to replace the smallest component possible while minimizing operational modifications. He said the third outcome was that the Authority would not build a new system, because the existing system had already been constructed, and the challenge was to make the plant work within its current footprint.

Mr. Rutherford said engineers should be able to determine fairly quickly whether the current system could be made functional and, if not, what replacement product could be used and at what cost. He stated that if the situation extended beyond a year, purchasing the temporary equipment would become an obvious decision. He said the Authority could not rely on legal action to produce a timely fix or a functioning product in the immediate future.

Ms. McGarry noted that it could take a long time.

Mr. Reed said the Authority had assumed they would have the necessary information by February. Mr. Rutherford said there was significant disappointment in the supplier, and it was very unfortunate that events had unfolded this way.

Ms. McGarry said she wanted to know whether DEQ would allow the temporary treatment system to remain in place permanently as a backup if the Authority ended up purchasing it, adding that she disliked the idea of spending money on a rental if the system might ultimately serve as part of a long-term solution.

Mr. Shimp said the temporary system could remain in place permanently as long as it meets the DEQ permit limits. He stated that the flows could be managed either individually or in combination with the existing membrane plant, which he said would likely continue to perform better than the temporary system. He said there was no reason the temporary system could not stay in place permanently if it met all regulatory requirements.

Mr. Anderson confirmed this.

Ms. McGarry stated that if the Authority purchased the temporary system, she was unsure whether the monthly rental cost would still apply when the equipment was not actively being used.

Mr. Shimp said the temporary system would continue to incur costs as long as it remained onsite, even if it was not actively operating. He stated that the monthly charge, about \$90,000 per month, was essentially structured like a principal-and-interest payment under the lease-to-own arrangement. He said that one important question was how much of a discount the Authority might receive if it chose to purchase the system outright rather than continue renting it for four years. He stated that it was worth comparing the total cost of renting for a year against the cost of buying the equipment up front, because the Authority might not be committing to significantly more funding by purchasing it immediately.

Mr. Rutherford said there could be some resale value in the future.

Mr. Shimp said in theory, the temporary system could also provide additional treatment capacity if the resort grows and could add infrastructure value to the facility.

Mr. Parr said the Board definitely needed that information to make a decision.

Mr. Rutherford said he wanted to help the Board move the discussion forward and asked for additional questions before trying to determine a consensus. He also asked whether staff could join the Board in closed session.

Michael Deredyn, Service Authority attorney, responded that the issues the NCSA Board needed to address were specifically related to potential litigation and the consent order. He stated that in order to maintain attorney-client privilege, the closed session would need to be limited to the NCSA Board.

Mr. Rutherford said he believed the Board had reached a general consensus. He stated that the expectation was essentially to secure \$1 million and then determine the remaining details afterward. He said staff had a significant amount of information to gather for reporting purposes, emphasizing that the Authority needed to keep the Board informed and maintain strong communication with staff as well as with the public.

Mr. Shimp said they needed to go further in discussing the funding issue. He stated that by signing the order in front of them, the Authority would be committing to spend up to \$4 million, and he emphasized that the actual cost would be higher because that figure did not include additional expenses they would inevitably have to address. He said he was unsure how the Board felt about the fact that staff might need to return in two months and request another \$2 million.

Mr. Rutherford said he did not envision the County abandoning the issue before it was fully resolved, as they had no interest in jeopardizing its DEQ standing or risking additional fines or complications. He stated that the total cost could exceed \$4 million, and the Board understood that funding might need to be allocated in increments of \$1-2 million, and the appropriate approach would depend on staff recommendations.

Mr. Lenahan said that if the Authority was already expecting to spend \$4 million and was anticipating the possibility of needing another \$2 million, it might make more sense to spend \$5.1 million and simply purchase the temporary system outright.

Mr. Rutherford stated that the Board understood this logic but did not yet have the information needed to evaluate that option.

Ms. McGarry said she wanted to confirm that Mr. Lenahan was referring to the additional \$2 million plus the other \$2 million already anticipated.

Mr. Shimp said that Mr. Lenahan was referring to the next \$2 million, and staff saw a high probability of needing well over that in the very near future. He emphasized that no one involved had any interest in putting the County

or the Service Authority in financial jeopardy, nor in telling DEQ that they lacked the funds to pay for the treatment plant they had already committed to.

Mr. Shimp said that failing to fund the project would mean losing the deposit and discharging sewage into the stream, which was an unacceptable outcome for everyone. He said additional funding would be needed, and NCSA did not expect to find more than \$1 million internally, noting that even that amount would be tight.

Ms. McGarry asked under what scenario the Authority would lose its deposit.

Mr. Shimp explained that the “deposit” he was referring to was the \$2 million commitment tied to signing the consent order and moving forward with the temporary treatment system. He said that once the Authority commits to this path, they are effectively committing to the full \$4 million cost, not just the initial \$2 million—and once the Authority signs the order, they must be prepared to fund the entire amount, not just the first portion.

Mr. Rutherford said it was likely they would not have a clear solution for several months, and if they were able to identify a solution, then the Board could have an expected timeframe for how long the issue would take to resolve.

Mr. Reed said they were planning to conduct a non-peak outflow test in December, followed by another test in February, when temperatures are colder. He explained that all of their expectations were dependent on the treatment plant, its designers, builders, and engineers successfully completing the work.

Mr. Rutherford said that if the winter turned out to be unusually warm, and they did not get the cold-weather conditions needed for the February test, it could affect their ability to evaluate the plant’s performance.

Mr. Reed said that if they were able to conduct the February cold-weather test, they would be in good shape and would have the information they needed.

Mr. Shimp said he believed it would be cold enough in February and that there would be sufficient flow for the test. He explained that under normal daily conditions, there simply isn’t enough water coming off the mountain to properly test the system, so they rely on colder periods when flows increase.

Mr. Reed said that Ovivo would be responsible for making the determination about whether the February test conditions were adequate. He emphasized that the decision was theirs, not the Authority’s.

Mr. Rutherford asked how dependable Ovivo would be.

Mr. Reed acknowledged Mr. Rutherford’s concern, saying it has been hanging over the Authority since day one.

Mr. Rutherford asked how responsive that entity had been.

Mr. Shimp said that Ovivo has become more involved recently, even though that wasn’t always the case, and they now hold weekly calls every Thursday.

Mr. Reed explained that during the weekly calls with Ovivo, he has had to request that they follow standard common practices so there is some clarity as to what happens on those calls. He said he has not been on every call but has joined several of them, and he intends to continue participating and pushing for accurate documentation of detail and who was present.

Mr. Rutherford said the Board clearly understood the scenario and said this would be a moving target toward resolution, but the expectations were already laid out: The Service Authority should identify the \$1 million, and the County would provide the first \$1 million needed to meet the 50% deposit required to move forward. He stressed that the County has no interest in a bankrupt Service Authority and every interest in ensuring the wastewater system functions properly. Mr. Rutherford said the Board’s approach is about due diligence on behalf of taxpayers, maintaining an ongoing dialogue, and asked if the County was satisfied with that.

Ms. McGarry said she was but wanted a recap of the action items.

Mr. Shimp said the first step was to confirm promptly whether the Service Authority could fund \$1 million. He stated that their engineers would continue conducting due diligence by confirming any additional bids and sources for a temporary plant, as well as determining the cost of purchasing such a system. He said that purchasing might become the preferred option if the numbers made sense, and the Authority might pivot in that direction. He then asked when the next regular Board of Supervisors meeting would take place.

Mr. Rutherford confirmed that it was July 14, 2026.

Mr. Shimp said he would like Mr. Anderson to obtain the information regarding the purchase cost of the temporary plant, and it would be prudent to send Mr. Miller or another representative, possibly Mr. Reed, to deliver that information to the Board of Supervisors.

Mr. Rutherford said it would be best to have the information by July 8 or 9 at the latest, as staff needed time to prepare and ask any necessary questions.

Mr. Parr asked the information to be submitted by July 9 at the latest.

Mr. Reed said he would like the information as soon as possible and appreciated the effort being made. He said that going forward, it would be beneficial to include reports within the Director's reports or to have a standing report from the Service Authority presented at Board meetings.

Mr. Rutherford noted that a Service Authority representative needs to come monthly now.

Mr. Miller said given the discussion about renting to own a mobile unit, the Authority would be sending \$780,000 per year for the next 25 years to pay for the unit they currently had.

Mr. Rutherford said they still did not know the full story regarding the unit they had already purchased.

Mr. Shimp said there was a firm commitment on the part of the Service Authority to get their return for the \$18 million spent for a system designed to deliver a specific flow rate and level of performance. He said it might not happen today or tomorrow and might require a fight, but the Authority was committed because a significant amount of money had been invested, and it was not acceptable to receive anything less than what had been purchased.

Ms. McGarry stated she believed there was consensus on that.

Mr. Shimp said the situation had not been easy, explaining that if the system failed every day, they would likely have reached a solution quickly. He stated that the real problem was the pattern of intermittent failures: they would experience a failure, believe they had identified a solution, and then months would pass before discovering that the fix had not worked. He said they were often not informed of the failure until after the attempted solution had already proven ineffective, which was far from ideal. He stated that he understood how the situation appeared to the public, acknowledging that it looked bad and that, in truth, it was bad. He said the challenge was comparable to diagnosing a car with an intermittent issue, noting that the system had been damaged for eight months, making the troubleshooting process slow and difficult.

Mr. Shimp said the situation was difficult to diagnose and was a problem faced by the Authority. He said it was a very tough circumstance and noted that getting contractors to show up during the Christmas season was also challenging. He stated that the period when their operational challenges were greatest tended to be the same period when everyone wanted to take vacation, creating a compounding list of obstacles. Mr. Shimp said despite that, there were no excuses, and the system should operate. He stated that everyone involved, and everyone who had been paid to make the system function, needed to ensure that it happened.

B. Closed Session Pursuant to 2.2-3711 (A)(7) & (A)(8).

Mr. Shimp noted that the Service Authority would be adjourning the joint meeting and then going into Closed Session. The Board of Supervisors did not hold a Closed Session.

III. ADJOURNMENT

At 10:18 a.m., Mr. Lenahan **moved** to adjourn the Board of Supervisors meeting. Mr. Parr **seconded** the motion, which passed unanimously (4-0) and the meeting adjourned.

Mr. McSwain moved to adjourn the joint meeting and Mr. Hight seconded the motion, which passed unanimously (4-0) and the meeting adjourned.



BOARD OF SUPERVISORS

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West District

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South District

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Administrative Assistant/
Deputy Clerk

GRACE E. MAWYER
Director of Finance and
Human Resources

**RESOLUTION R2026-52
NELSON COUNTY BOARD OF SUPERVISORS
AMENDMENT OF FISCAL YEAR 2025-2026 BUDGET
July 14, 2026**

I. Appropriation of Funds (General Fund)

	<u>Amount</u>	<u>Revenue Account (-)</u>	<u>Expenditure Account (+)</u>
\$	10,000.00	3-100-002404-0038	4-100-031020-7016
\$	2,122.88	3-100-003303-0107	4-100-031020-1013
\$	187.20	3-100-001899-0017	4-100-031020-5803
\$	1,257.00	3-100-001401-0002	4-100-031020-7017
\$	18,700.00	3-100-001303-0011	4-100-999000-9905
\$	45,777.43	3-100-002404-0048	4-100-032030-3005
\$	444,896.00	3-100-002401-0045	4-100-053600-3164
\$	522,940.51		

II. Transfer of Funds (General Fund Non-Recurring Contingency)

	<u>Amount</u>	<u>Credit Account (-)</u>	<u>Debit Account (+)</u>
\$	204,043.00	4-100-999000-9905	4-100-053600-3164
\$	204,043.00		

Adopted: _____

Attest: _____, Clerk
Nelson County Board of Supervisors

EXPLANATION OF BUDGET AMENDMENT

- I. Appropriations are the addition of unbudgeted funds received or held by the County for use within the current fiscal year budget. These funds increase the budget bottom line. The General Fund Appropriations of \$522,940.51 include requests of (1) \$10,500.00 appropriation requested for Sheriff's VSP H.E.A.T. funds received in June 2026; (2) \$2,122.88 appropriation requested for Sheriff's DEA Task Force Grant funding for May 2026; (3) \$187.20 appropriation requested for Sheriff's Fundraising Account funds received in June 2026; (4) \$1,257.00 appropriation requested for Sheriff's E-ticket revenue received in June 2026; (5) \$18,700.00 appropriation requested for FY25 and FY26 Well and Septic Permit Fees collected by VDH and remitted to the County; (6) \$45,777.43 appropriation requested for PSAP Next Generation NG9-1-1 Grant funds received in FY26; and (7) \$444,896.00 supplemental appropriation request for State Funds (68.68%) for additional State mandated CSA (Children's Services Act) services costs through June 30th totaling \$648,939. *The total appropriation request for this period is below the 1% of expenditure budget limit of \$1,008,467.63 for June. Of the total appropriations this month, \$18,700.00 (Item 5) of funds are being added to Non-Recurring Contingency.***
- II. Transfers represent funds that are already appropriated in the budget, but are moved from one line item to another. Transfers do not affect the bottom line of the budget. A transfer from General Fund Non-Recurring Contingency in the amount of \$204,043.00 is requested to cover the local share cost (31.32%) of State CSA (Children's Services Act) mandated services through June 30, 2026. *Following approval of these expenditures, the balance of Non-Recurring Contingency will be \$262,371.75. This net balance includes the addition in I. and reduction in II. The balance of Recurring Contingency will be \$26,469.04.***

Grace Mawyer

From: Neely Hull
Sent: Monday, July 6, 2026 11:09 AM
To: Grace Mawyer
Subject: FW: EDI-Code please

I hate to bother you, but can you tell me where to post this?

From: Neely Hull
Sent: Thursday, June 11, 2026 10:03 AM
To: Grace Mawyer <gmawyer@nelsoncounty.org>
Subject: EDI-Code please

HEAT

3-100-2404-0038
4-100-31020-7016

Hi Grace, I went back to may of 25 and I don't see this coming in before. Can you please provide a code to post this to.

Total Amount: 10,000.00

Deposit Date: 06/12/2026

Trace Number: 82969614

Agy No	Amount	CDS Offset Amount	TOP Offset Amount	Invoice Number	Invoice Date	Customer Number	Voucher Number	Description
156	10,000.00	0.00	0.00	31MAY26	05/31/2026		3163205	Heat Financ

Tot 156: 10,000.00

Neely Hull
County of Nelson, Treasurer
PO Box 100

Grace Mawyer

From: Lazear, Peter (VSP) <peter.lazear@vsp.virginia.gov>
Sent: Sunday, May 31, 2026 4:57 PM
To: Mark Embrey
Cc: Grace Mawyer; Jennifer Thomas
Subject: Re: NCSO H.E.A.T. Grant



IRONSCALES couldn't recognize this email as this is the first time you received an email from this sender peter.lazear@vsp.virginia.gov

Good Afternoon,

Thank you for sending your supporting documentation. I have submitted a payment request to my Property & Finance Division in the amount of \$10,000.00 to your agency. Please allow several weeks for the payment to be processed.

I hope the Flock equipment serves your community well!

Sincerely,
Peter

First Sergeant Peter W. Lazear, CIFI

- *Statewide Program Coordinator*
- *Immediate Past President - International Association of Auto Theft Investigators - Southeast Chapter*

Virginia Department of State Police

Help Eliminate Auto Theft (HEAT)

Insurance Fraud Program (IFP)

10710 Midlothian Turnpike

Suite 207

N. Chesterfield, VA 23235

Cell: (804) 221-0997

www.HEATreward.com

www.StampOutFraud.com

Connect with me on LinkedIn [here!](#)

From: Mark Embrey <membrey@nelsoncounty.org>
Sent: Wednesday, May 27, 2026 2:20 PM
To: Lazear, Peter (VSP) <peter.lazear@vsp.virginia.gov>
Cc: Grace Mawyer <gmawyer@nelsoncounty.org>; Jennifer Thomas <jthomas@nelsoncounty.org>
Subject: NCSO H.E.A.T. Grant

Good afternoon First Sergeant Lazear,

I hope this email finds you and the HEAT Division well! Nelson County is proud to be participating in the second year of our FLOCK Camera usage, and we are extremely grateful for the grant funding our agency received for the operation of these devices.

Please find the attached check, which represents payment to FLOCK for our renewal. Please let me know if there is any additional documentation that I can provide to receive the full grant award.

Thank you,

Sheriff Mark E. Embrey
Nelson County Sheriff's Office
84 Courthouse Sq.
Lovington VA 22949
434-263-7051 office



Grace Mawyer

From: Sandy Neblett
Sent: Thursday, July 2, 2026 8:25 AM
To: Grace Mawyer
Subject: FW: DEATF- Funds received

Sandy Neblett
Nelson County
Finance and HR Specialist
Payroll/Benefits Administrator
PO Box 336, Lovingson, VA 22949
(P) 434.2637137 (F) 434.263.7134
sneblett@nelsoncounty.org
www.nelsoncounty-va.gov

From: Neely Hull <nhull@nelsoncounty.org>
Sent: Thursday, July 2, 2026 8:21 AM
To: Holly Henderson <hhenderson@nelsoncounty.org>
Cc: Sandy Neblett <sneblett@nelsoncounty.org>
Subject: DEATF- Funds received

3-100-3303-0107
4-100-31020-1013

JUN 26 2026

015 TREAS 310/MISC PAY RMR*IV*04032026*PI*2122.88\ NELSON CO

546001441151100

Amount: two thousand, one hundred twenty two dollars and eighty eight cents **\$2,122.88**

Statement Description:
015 TREAS 310/MISC PAY RMR*IV*04032026*PI*2122.88\ NELSON CO 546001441151100

DEATF

Neely Hull
County of Nelson, Treasurer
PO Box 100
Lovingson Va 22949

P (434) 263 7060
F (434) 263 7064



BOARD OF SUPERVISORS

ERNIE O. REED
Central District

JESSE H. RUTHERFORD
East District

J. DAVID PARR
West District

DR. JESSICA LIGON
South District

A. CAMERON LENAHAN
North District

CANDICE W. MCGARRY
County Administrator

AMANDA B. SPIVEY
Administrative Assistant/
Deputy Clerk

GRACE E. MAWYER
Director of Finance and
Human Resources

June 2, 2026

TO: Special Agent in Charge
Washington Field Division
Drug Enforcement Administration
800 K Street, NW, Room 500
Washington, D.C. 20001

From: County of Nelson
PO Box 336
Lovingson, VA 22949

Subject: Overtime Reimbursement for period ending April 30, 2026

Invoice number: 04032026

In accordance with the current State/Local Task Force agreement, the Nelson County Sheriff's Office hereby requests reimbursement of \$2,122.88 for overtime incurred from 04/03/2026 to 4/30/2026 for the below listed law enforcement personnel from the County of Nelson Sheriff's Office. The officer received payment for these hours on 5/29/2026. Federal ID# 54-6001441.

Officer's Name: [REDACTED] worked 55.5 Overtime hours at a rate of \$38.25 an hour totaling \$2,122.88.

Reimbursement should be made directly to: County of Nelson, PO Box 336, Lovingson, VA 22949

I certify that the funds requested are for overtime expenses incurred by personnel identified in the Task Force Agreement currently in effect.

Certified:	Resident Agent in Charge	Date
Certified:	<i>[Signature]</i> Sheriff of County of Nelson	6/3/26 Date
Certified:	<i>[Signature]</i> Payroll Verification	6/2/26 Date

Company No: 001
 Date: 7/10/26
 Budget Amount
 \$23,025.89-

Account Number: 3100 1899 17
 Sheriff's Fundraising Account
 Year To Date
 \$23,490.00-

Period:
 Time: 1111
 Encumbrances
 \$0.00
 Balance
 \$464.11

Date	Source	Reference	Number	PO#	Amount	Period	Description
10072025	CS	1	20251007		\$9,236.89	-202510	-TREASURER CASH REPORT-
10102025	CS	1	20251010		\$10.00	-202510	-TREASURER CASH REPORT-
10162025	CS	1	20251016		\$4,000.00	-202510	-TREASURER CASH REPORT-
11072025	CS	1	20251107		\$295.00	-202511	-TREASURER CASH REPORT-
11132025	CS	1	20251113		\$108.00	-202511	-TREASURER CASH REPORT-
11212025	CS	1	20251121		\$1,110.00	-202511	-TREASURER CASH REPORT-
11252025	CS	1	20251125		\$81.00	-202511	-TREASURER CASH REPORT-
12042025	CS	1	20251204		\$355.00	-202512	-TREASURER CASH REPORT-
12102025	CS	1	20251210		\$3,100.00	-202512	-TREASURER CASH REPORT-
12112025	CS	1	20251211		\$1,500.00	-202512	-TREASURER CASH REPORT-
12172025	CS	1	20251217		\$200.00	-202512	-TREASURER CASH REPORT-
12302025	CS	1	20251230		\$300.00	-202512	-TREASURER CASH REPORT-
04242026	CS	1	20260424		\$290.00	-202604	-TREASURER CASH REPORT-
04302026	CS	1	20260430		\$160.00	-202604	-TREASURER CASH REPORT-
05052026	CS	1	20260505		\$200.00	-202605	-TREASURER CASH REPORT-
05072026	CS	1	20260507		\$80.00	-202605	-TREASURER CASH REPORT-
05142026	CS	1	20260514		\$720.00	-202605	-TREASURER CASH REPORT-
05202026	CS	1	20260520		\$1,200.00	-202605	-TREASURER CASH REPORT-
05282026	CS	1	20260528		\$80.00	-202605	-TREASURER CASH REPORT-
*****	G/L Year-To-Date-				\$23,025.89-		
*****	Encumbrance-						
*****	A/P Holding File-						
*****	P/R Holding File-						
*****	U/T Holding File-						
06052026	CS	1	20260605		\$90.00	-202606	-TREASURER CASH REPORT-
06232026	CS	1	20260623		\$17.20	-202606	-TREASURER CASH REPORT-
06262026	CS	1	20260626		\$80.00	-202606	-TREASURER CASH REPORT-
07062026	CS	1	20260706		\$276.91	-202607	-TREASURER CASH REPORT-
*****	A/R Holding File-				\$464.11-		
*****	G/L Holding File-						
*****	S/S Holding File-						
*****	INV Holding File-						
10142025	BS	1	0000446		\$9,236.89	-202510	FY26 SHER FUNDRAISING ACC05223
11132025	BS	1	0000447		\$4,010.00	-202511	FY26 SHERIFF FUNDRAISING 05233
12182025	BS	1	0000450		\$1,594.00	-202512	FY26 SHERIFF OFFICE FUNDRO5242
01132026	BS	1	0000451		\$5,455.00	-202601	FY26 SHERIFF FUNDRAIS DEC05253
05122026	BS	1	0000455		\$730.00	-202605	FY26 SHER FNDRSING APRIL/05298

3-100-1899-0017
 4-100-31020-5803

\$187.20

Company No: 001	Account Number: 3100 1899 17	Period:
Date: 7/10/26	Sheriff's Fundraising Account	Time: 1111
Budget Amount	Year To Date	Encumbrances
\$23,025.89-	\$23,490.00-	\$0.00
		Balance
		\$464.11

```

=====
Date      Source Reference Number      PO#      Amount Period Description
06092026 BS    1    0000456      $2,000.00-202606 FY26 MAY 26 SHERIFF FUNDR05311
*****      Budget Amount-      $23,025.89-

```

Company No: 001
Date: 7/10/26
Budget Amount
\$14,337.25-

Account Number: 3100 1401 2
E-Ticket Fees
Year To Date
\$12,522.25-

Period:
Time: 1111
Encumbrances
\$0.00
Balance
\$1,815.00-

Date	Source	Reference	Number	PO#	Amount	Period	Description
09022025	CS	1	20250902		\$1,242.90	-202509	-TREASURER CASH REPORT-
10012025	CS	1	20251001		\$1,239.10	-202510	-TREASURER CASH REPORT-
11032025	CS	1	20251103		\$938.75	-202511	-TREASURER CASH REPORT-
12012025	CS	1	20251201		\$804.50	-202512	-TREASURER CASH REPORT-
01022026	CS	1	20260102		\$994.00	-202601	-TREASURER CASH REPORT-
02022026	CS	1	20260202		\$1,314.50	-202602	-TREASURER CASH REPORT-
03022026	CS	1	20260302		\$1,244.50	-202603	-TREASURER CASH REPORT-
04012026	CS	1	20260401		\$1,333.25	-202604	-TREASURER CASH REPORT-
05012026	CS	1	20260501		\$1,208.75	-202605	-TREASURER CASH REPORT-
*****		G/L	Year-To-Date-		\$10,320.25-		
*****		Encumbrance-					
*****		A/P	Holding File-				3-100-1401-0002
*****		P/R	Holding File-				4-100-31020-7017
*****		U/T	Holding File-				
06022026	CS	1	20260602		\$945.00	-202606	-TREASURER CASH REPORT-
07012026	CS	1	20260701		\$1,257.00	-202607	-TREASURER CASH REPORT-
*****		A/R	Holding File-		\$2,202.00-		
*****		G/L	Holding File-				
*****		S/S	Holding File-				
*****		INV	Holding File-				
09092025	BS	1	0000445		\$1,242.90	-202509	FY26 E TICKET REVENUE 05213
09092025	BT	1	0000321		\$1,536.00	-202509	FY26 E-TICKET REVENUE 05214
10142025	BS	1	0000446		\$1,239.10	-202510	FY26 SHER ETICK JULY - SE05223
10142025	BS	1	0000446		\$1,536.00	-202510	FY26 SHER ETICK JULY - SE05223
10142025	BT	1	0000323		\$3,072.00	-202510	FY26 E TIC REV JULY - AUG05224
12182025	BS	1	0000450		\$938.75	-202512	FY26 SHERIFF E-TICKET OCT05242
12182025	BS	1	0000450		\$804.50	-202512	FY26 SHERIFF E-TICKET NOV05242
01132026	BS	1	0000451		\$994.00	-202601	FY26 SHERIFF ETICKET DEC 05253
03102026	BS	1	0000453		\$1,314.50	-202603	FY26 SHERIFF E TICKET JAN05273
04142026	BS	1	0000454		\$1,244.50	-202604	FY26 SHERIFF ETCKT REV FE05284
04142026	BS	1	0000454		\$1,333.25	-202604	FY26 SHERIFF ETCKT MARCH05284
05122026	BS	1	0000455		\$1,208.75	-202605	FY26 SHER E TICKET REV AP05298
06092026	BS	1	0000456		\$945.00	-202606	FY26 SHER E-TICKET MAY 2005311
*****		Budget	Amount-		\$14,337.25-		

Grace Mawyer

From: Neely Hull
Sent: Wednesday, June 10, 2026 11:56 AM
To: Grace Mawyer
Subject: RE: EDI- Code please

THANK YOU!!!

From: Grace Mawyer <gmawyer@nelsoncounty.org>
Sent: Wednesday, June 10, 2026 11:53 AM
To: Neely Hull <nhull@nelsoncounty.org>
Subject: RE: EDI- Code please

I looked back and found that we had similar payments last year in early June! Please post to "WELL." Thank you!

From: Neely Hull <nhull@nelsoncounty.org>
Sent: Wednesday, June 10, 2026 9:49 AM
To: Grace Mawyer <gmawyer@nelsoncounty.org>
Subject: EDI- Code please

3-100-1303-0011
4-100-999000-9905(NRC)

Total Amount: 8,475.00

Deposit Date: 06/04/2026

Trace Number: 82961512

Agy No	Amount	CDS Offset Amount	TOP Offset Amount	Invoice Number	Invoice Date	Customer Number	Voucher Number	Description
601	8,475.00	0.00	0.00	FY26 QTR PAY	05/22/2026		0298860	FY26 QTR P,

Tot 601: 8,475.00

Grace Mawyer

From: Neely Hull
Sent: Wednesday, June 10, 2026 9:49 AM
To: Grace Mawyer
Subject: EDI- Code please

WELL

3-100-1303-0011

4-100-999000-9905(NRC)

Total Amount: 10,225.00

Deposit Date: 06/03/2026

Trace Number: 82960313

Agy No	Amount	CDS Offset Amount	TOP Offset Amount	Invoice Number	Invoice Date	Customer Number	Voucher Number	Description
601	10,225.00	0.00	0.00	FY25 QTR PAY	05/21/2026		0298804	FY25 QTR P:

Tot 601: 10,225.00

Neely Hull
County of Nelson, Treasurer
Po Box 100
Lovington VA 22949

P (434) 263 7060
F (434) 263 7064

Grace Mawyer

From: Neely Hull
Sent: Tuesday, June 23, 2026 1:22 PM
To: Grace Mawyer
Subject: FW: EDI-Code please

Hey! When you have a chance can you please tell me which codes to use.

Thank you!

PNG911

From: Neely Hull
Sent: Tuesday, May 12, 2026 9:00 AM
To: Grace Mawyer <gmawyer@nelsoncounty.org>
Subject: EDI-Code please

3-100-2404-0048
4-100-32030-3005

Total Amount: 45,777.43

Deposit Date: 05/01/2026

Trace Number: 82932574

Agy No	Amount	CDS Offset Amount	TOP Offset Amount	Invoice Number	Invoice Date	Customer Number	Voucher Number	Description
127	45,641.17	0.00	0.00	FY26031226 N	02/12/2026		00026142	Nelson County Board Of
127	136.26	0.00	0.00	FY26031226Ne	02/12/2026		00026143	Nelson County Board Of

Tot 127: 45,777.43



Virginia Department of Emergency Management

NG9-1-1 AND TEXT-to-911 FUNDING REIMBURSEMENT FORM

(NOT INTENDED FOR PEP or NON-PEP GRANT FUNDING REIMBURSEMENT)

Date Submitted by PSAP	2/12/2026	PLEASE COMPLETE FORM AND SUBMIT IN EDITABLE FORMAT SEPARATE FROM THE SUPPORTING DOCUMENTATION WITHIN THE SAME EMAIL TO: PSAPGRANTS@VDEM.VIRGINIA.GOV
PSAP Name - FIPS (Dropdown)	Nelson - 125	
PSAP EIN	54-6001441	
PSAP Address	84 Courthouse Square, Lovingsston, VA 22949	
*NG911 FUNDING YEAR/ID #	2020/NG911-058	
Contact Name	Susan Rorer	
Contact Email/Telephone #	srorer@nelsoncounty.org 434-263-7120	

*REIMBURSEMENT REQUEST FUNDING CATEGORY: (*Select only ONE funding category for each form submitted)

CHE IS Services (A) _____ CHE Replacement (B) GIS Data (C) _____ Monthly Delta (D) _____ Rack (E) _____
 Text-to-911 (F) _____ Voice Logging (G) _____ eCATS (H) _____ IP Cost Recovery (I) _____

Vendor	Invoice Date	Invoice #	Total Invoice Amount	Comments
Carousel	7/22/2024	IR-6639	\$ 26,659.59	Annual Maintenance
Carousel	9/15/2025	IR-10685	\$ 26,260.71	Annual Maintenance
			\$ -	
			\$ -	
			\$ -	
			\$ -	

TOTAL REIMBURSEMENT: \$ 52,920.30

VDEM USE ONLY - INVOICE # (fiscal year - date processed - grant ID)	
Award Balance After Pmt:	Balance to Fund:
Date Received:	Date Processed:
PSC Program Manager Approval:	
CODING: FUND 09281 PROG 712002 DEPT 98518100 COST CTR 983080 ACCT CODE 5014310	

NGS COMMENTS: PSAP has been reimbursed for \$154,358.83 out of the \$200,000.00 available for this category. This leaves up to \$45,641.17 that can be requested for annual maintenance invoice reimbursement for years 2-5.
--

*REQUIRED IN ORDER TO CONSIDER REQUEST COMPLETE IN SUBMISSION

EIN - Locality's Tax ID



Virginia Department of Emergency Management

NG9-1-1 AND TEXT-to-911 FUNDING REIMBURSEMENT FORM

(NOT INTENDED FOR PEP or NON-PEP GRANT FUNDING REIMBURSEMENT)

Date Submitted by PSAP	2/12/2026	PLEASE COMPLETE FORM AND SUBMIT IN EDITABLE FORMAT SEPARATE FROM THE SUPPORTING DOCUMENTATION WITHIN THE SAME EMAIL TO: PSAPGRANTS@VDEM.VIRGINIA.GOV		
PSAP Name - FIPS (Dropdown)	Nelson - 125			
PSAP EIN	54-6001441			
PSAP Address	84 Courthouse Square, Lowington, VA 22949			
*NG911 FUNDING YEAR/ID #	2020/NG911-058			
Contact Name	Susan Rorrer			
Contact Email/Telephone #	srorrer@nelsoncounty.org 434-263-7120			
*REIMBURSEMENT REQUEST FUNDING CATEGORY: (*Select only ONE funding category for each form submitted) CHE I3 Services (A) <input checked="" type="checkbox"/> CHE Replacement (B) <input type="checkbox"/> GIS Data (C) <input type="checkbox"/> Monthly Delta (D) <input type="checkbox"/> Rack (E) <input type="checkbox"/> Text-to-911 (F) <input type="checkbox"/> Voice Logging (G) <input type="checkbox"/> eCATS (H) <input type="checkbox"/> IP Cost Recovery (IP) <input type="checkbox"/>				
Vendor	Invoice Date	Invoice #	Total Invoice Amount	Comments
Foster Electric	10/25/2023	1903965379	\$ 136.26	Twist Locks
			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
TOTAL REIMBURSEMENT:			\$ 136.26	

VDEM USE ONLY - INVOICE # (fiscal year - date processed - grant ID)	
Award Balance After Pmt:	Balance to Fund:
Date Received:	Date Processed:
PSC Program Manager Approval:	
CODING: FUND 09281 PROG 712002 DEPT 98518100 COST CTR 983080 ACCT CODE 5014310	

NGS COMMENTS: Final Reimbursement for CHE I3 Services. This will close out this category once reimbursed. *REQUIRED IN ORDER TO CONSIDER REQUEST COMPLETE IN SUBMISSION EIN - Locality's Tax ID
--

July 10, 2026

Chairman Ligon and Board Members,

The Children's Services Act (CSA) is the result of a 1993 Virginia Law that provided for the pooling of eight specific funding streams used to purchase services for high-risk youth. The pool of funds comes from the Department of Social Services, Department of Juvenile Justice, Department of Education, Department of Mental Health, and an Interagency Consortium. Currently, the County Administrator supervises the program, and the Director of Finance and Human Resources serves as the fiscal agent. The CSA Coordinator is a part time position housed in the Court Service Unit office space and oversees all aspects of the program including budget, payments, and reimbursement. The program has served 47 children thus far in FY26.

The FY26 budget allocation for the CSA program is \$2,000,000 with a local share of \$626,400 (31.32%). Current expenditures are projected at \$2,648,939 which will require an additional local share of \$204,043 (31.32%). The increase in expenditures is a result of the increase in number of children served overall, specifically in foster care and foster care prevention services and the level of need, the increase in children placed in private day schools through IEP's, the increase in parental requested placements and, the increase in pricing of services. Due to these factors that have resulted in an increase in projected expenditures, I am requesting an additional \$648,939, \$204,043 in local funds, be appropriated to the FY26 CSA budget.

Respectfully,



Allison McGarry
Nelson County CSA Coordinator



BOARD OF SUPERVISORS

ERNIE Q. REED
Central District

JESSE N. RUTHERFORD
East District

J. DAVID PARR
West District

DR. JESSICA LIGON
South District

A. CAMERON LENAHAN
North District

CANDICE W. MCGARRY
County Administrator

AMANDA B. SPIVEY
Administrative Assistant/
Deputy Clerk

GRACE E. MAWYER
Director of Finance and
Human Resources

**RESOLUTION R2026-53
NELSON COUNTY BOARD OF SUPERVISORS
AMENDMENT OF FISCAL YEAR 2026-2027 BUDGET
July 14, 2026**

I. Appropriation of Funds (VPA Fund)

<u>Amount</u>	<u>Revenue Account (-)</u>	<u>Expenditure Account (+)</u>
\$ 15,680.00	3-150-004105-0001	4-150-053600-1003
\$ 1,800.00	3-150-004105-0001	4-150-053600-1011
\$ 1,334.00	3-150-004105-0001	4-150-053600-2001
\$ 829.00	3-150-004105-0001	4-150-053600-2011
\$ 2,000,000.00	3-150-004105-0001	4-150-053600-3164
\$ 18,522.00	3-150-004105-0001	4-150-053600-3174
\$ 1,000.00	3-150-004105-0001	4-150-053600-5401
\$ 2,039,165.00		

II. Transfer of Funds (General Fund Departmental)

<u>Amount</u>	<u>Credit Account (-)</u>	<u>Debit Account (+)</u>
\$ 15,680.00	4-100-053600-1003	4-100-093100-9201
\$ 1,800.00	4-100-053600-1011	4-100-093100-9201
\$ 1,334.00	4-100-053600-2001	4-100-093100-9201
\$ 829.00	4-100-053600-2011	4-100-093100-9201
\$ 2,000,000.00	4-100-053600-3164	4-100-093100-9201
\$ 18,522.00	4-100-053600-3174	4-100-093100-9201
\$ 1,000.00	4-100-053600-5401	4-100-093100-9201
\$ 2,039,165.00		

III. Transfer of Funds (General Fund Recurring Contingency)

<u>Amount</u>	<u>Credit Account (-)</u>	<u>Debit Account (+)</u>
\$ 28,885.00	4-100-999000-9901	4-100-013010-1010
\$ 850.00	4-100-999000-9901	4-100-013010-2001
\$ 500.00	4-100-999000-9901	4-100-013010-3007
\$ 2,900.00	4-100-999000-9901	4-100-013010-5201
\$ 4,600.00	4-100-999000-9901	4-100-013010-5401
\$ 15,000.00	4-100-999000-9901	4-100-013010-5413
\$ 1,500.00	4-100-999000-9901	4-100-013010-5501
\$ 600.00	4-100-999000-9901	4-100-013010-5503
\$ 3,700.00	4-100-999000-9901	4-100-013020-1002
\$ 283.00	4-100-999000-9901	4-100-013020-2001
\$ 400.00	4-100-999000-9901	4-100-013020-3007
\$ 170.00	4-100-999000-9901	4-100-013020-5201
\$ 225.00	4-100-999000-9901	4-100-013010-5401
\$ 175.00	4-100-999000-9901	4-100-013010-5503
\$ 59,788.00		

Adopted: _____

Attest: _____, Clerk
Nelson County Board of Supervisors

EXPLANATION OF BUDGET AMENDMENT

- I. Appropriations are the addition of unbudgeted funds received or held by the County for use within the current fiscal year budget. These funds increase the budget bottom line. The VPA Fund Appropriation reflects a request of \$2,039,165.00 for the addition of the CSA budget line items to the VPA Fund budget after transferring them from the General Fund budget. *This appropriation request ultimately does not increase the budget bottom line due to the Transfer of Funds from the General Fund in item II.***

- II. Transfers represent funds that are already appropriated in the budget, but are moved from one line item to another. Transfers do not affect the bottom line of the budget. A General Fund Department Transfer in the amount of \$2,039,165.00 is requested to transfer all budgeted FY27 CSA expenditures to the VPA Fund.**

- III. Transfers represent funds that are already appropriated in the budget, but are moved from one line item to another. Transfers do not affect the bottom line of the budget. Transfers from General Fund Recurring Contingency in the amount of \$59,788.00 are requested from the Registrar's Office to cover additional cost projections for the August 4, 2026 Special Election not previously budgeted in FY27. *Following approval of these expenditures, the balance of Non-Recurring Contingency will be \$411,300.00. The balance of Recurring Contingency will be \$1,044,910.00.***

FUND #-150 VPA FUND EXPENDITURES

	FY/2023	FY/2024	FY/2025	ADOPTED	AMENDED	2026/06	DEPT	ADMIN	ADOPTED
	EXPENSE	EXPENSE	EXPENSE	FY/2026	FY/2026	ACTUAL	FY/2027	FY/2027	FY/2027
				BUDGET	BUDGET		REQUEST	RECOMMENDS	BUDGET
053210-5706	86,247	7,486	49,661	384,408	384,408	39,435	384,408	384,408	384,408
053210-5707									
053210-5708									
053210-5710									
053210-5711	10,305	6,432	2,336	47,925	47,925	8,928	47,925	47,925	47,925
053210-5712									
053210-5714	270,015	320,445	348,538	138,291	138,291	374,209	138,291	138,291	138,291
--TOTAL DEPARTMENT--	<u>443,690</u>	<u>410,791</u>	<u>482,183</u>	<u>650,823</u>	<u>650,823</u>	<u>494,705</u>	<u>650,823</u>	<u>650,823</u>	<u>650,823</u>
053500-3001									
053500-3002									
053500-3003									
053500-3004	3,656	3,165	45			1,450			
--TOTAL DEPARTMENT--	<u>3,656</u>	<u>3,165</u>	<u>45</u>			<u>1,450</u>			
053600									
053600-1003									
053600-1011									
053600-2001									
053600-2011									
053600-3164									
053600-3174									
053600-5401									
VPA FUND EXPENDITURES	<u>1,590,125</u>	<u>1,725,499</u>	<u>1,814,836</u>	<u>2,111,235</u>	<u>2,111,235</u>	<u>2,022,396</u>	<u>2,144,252</u>	<u>2,144,252</u>	<u>2,144,252</u>
093100-0100									
Transfer to General Fund									
-TOTAL FOR FUND	<u>1,590,125</u>	<u>1,725,499</u>	<u>1,814,836</u>	<u>2,111,235</u>	<u>2,111,235</u>	<u>2,022,396</u>	<u>2,144,252</u>	<u>2,144,252</u>	<u>2,144,252</u>
- FINAL TOTAL	<u>1,590,125</u>	<u>1,725,499</u>	<u>1,814,836</u>	<u>2,111,235</u>	<u>2,111,235</u>	<u>2,022,396</u>	<u>2,144,252</u>	<u>2,144,252</u>	<u>2,144,252</u>

FUND #-100 ***CSA/AT RISK YOUTH & FAMIL

** General fund 100 **

	FY/2023	FY/2024	FY/2025	ADOPTED	AMENDED	2026/06	DEPT	ADMIN	ADOPTED	
	EXPENSE	EXPENSE	EXPENSE	FY/2026	FY/2026	ACTUAL	FY/2027	FY/2027	FY/2027	
				BUDGET	BUDGET		REQUEST	RECOMMENDS	BUDGET	
053600	***CSA/AT RISK YOUTH & FAMIL									
053600-1003	Part-time Wages	11,422	12,244	13,623	15,000	15,000	12,828	15,680	15,680	15,680
053600-1011	Remuneration-Local Board	1,275	900	1,350	1,800	1,800	525	1,800	1,800	1,800
053600-2001	FICA	971	1,006	1,146	1,286	1,286	1,037	1,334	1,334	1,334
053600-2011	Worker's Compensation	496	503	696	696	829	829	829	829	829
053600-3164	Purchased Services (Mandated	2,773,757	2,164,658	2,540,366	2,000,000	2,000,000	2,466,064	2,000,000	2,000,000	2,000,000
053600-3174	Purchased Services (Non-Mand		8,975	10,275	18,522	18,522		18,522	18,522	18,522
053600-5201	Postage									
053600-5203	Phone									
053600-5401	Office Supplies	733	250	238	1,000	1,000	350	1,000	1,000	1,000
053600-5504	Travel (Convention & Meeting									
	--TOTAL DEPARTMENT--	<u>2,788,654</u>	<u>2,188,536</u>	<u>2,567,694</u>	<u>2,038,304</u>	<u>2,038,437</u>	<u>2,481,633</u>	<u>2,039,165</u>	<u>2,039,165</u>	<u>2,039,165</u>
	***CSA/AT RISK YOUTH & FAMI	<u>2,788,654</u>	<u>2,188,536</u>	<u>2,567,694</u>	<u>2,038,304</u>	<u>2,038,437</u>	<u>2,481,633</u>	<u>2,039,165</u>	<u>2,039,165</u>	<u>2,039,165</u>
	-TOTAL FOR FUND	<u>2,788,654</u>	<u>2,188,536</u>	<u>2,567,694</u>	<u>2,038,304</u>	<u>2,038,437</u>	<u>2,481,633</u>	<u>2,039,165</u>	<u>2,039,165</u>	<u>2,039,165</u>
	- FINAL TOTAL	<u>2,788,654</u>	<u>2,188,536</u>	<u>2,567,694</u>	<u>2,038,304</u>	<u>2,038,437</u>	<u>2,481,633</u>	<u>2,039,165</u>	<u>2,039,165</u>	<u>2,039,165</u>

August 4, 2026
Dual Primary Election
Supplementary Budget Request

Department: 013000 Board of Elections

Line Item Number	Line Item Description	Aug-26 Request	Justification	Notes
013010-1010	Remuneration - Electoral Board and Pollworkers	\$28,885	35 Days EV; Pre-processing; Post Election processing; Training; Supply Preparation; Election Day	Two required Sundays and expanded EV staff added - reflects new pay scale adopted by EB/BOS
013010-2001	FICA	\$850	0.0765% (EV Staff only)	
013010-3007	Advertising	\$500	Required Newspaper Advertisements	Per current estimate
013010-5201	Postal Services	\$2,900	Ballot Postage, Certificates of Mailing, Certified/Expedited Mailings	Projected postal increase
013010-5401	Office Supplies	\$4,600	Election Materials	Paper/Envelopes/Election Day supplies
013010-5413	Other (Voting Machines)	\$15,000	Ballots/Programming/Testing/Calibration/PM	Dual Primary Ballot Requirements
013010-5501	Travel - Mileage	\$1,500	Board/Election Officer Mileage	
013010-5503	Travel - Subsistence	\$600	Board/Election Officer Meals/Refreshments	Historical usage and cost increases
	TOTAL	\$54,835		

Department: 013020 Registrar

Line Item Number	Line Item Description	Apr-26 Request	Justification	Notes
013020-1002	Overtime	\$3,700	Daily Open/Close Polls; Required Weekends; Election Day;	Chief Deputy/Deputy - reflects required weekends
013020-2001	FICA	\$283	0.7650%	
013020-3007	Advertising	\$400	Required Newspaper Advertisements - Final Day of Registration	
013020-5201	Postal Services	\$170	Voter Communications	
013010-5401	Office Supplies	\$225	Administrative Materials	
013010-5503	Travel - Subsistence	\$175	Registrar/Staff Meals/Refreshments	
	TOTAL	\$4,953		

Grand Total \$59,788



BOARD OF
SUPERVISORS

ERNIE Q. REED
Central District

JESSE N. RUTHERFORD
East District

J. DAVID PARR
West District

DR. JESSICA LIGON
South District

A. CAMERON LENAHAAN
North District

CANDICE W. MCGARRY
County Administrator

AMANDA B. SPIVEY
Administrative Assistant/
Deputy Clerk

GRACE E. MAWYER
Director of Finance and
Human Resources

RESOLUTION R2026-54
NELSON COUNTY BOARD OF SUPERVISORS
RESOLUTION RECOGNIZING THE HONORABLE MICHAEL R. DOUCETTE
MAY 1, 2020 – JUNE 30, 2026

WHEREAS, on June 30, 2026, the Honorable Michael R. Doucette officially retired from service as Judge of the Circuit Court of the Twenty-fourth Judicial District of Virginia; and

WHEREAS, Judge Doucette earned his undergraduate degree from the University of Connecticut in 1981, graduated from the Marshall-Wythe School of Law at the College of William & Mary in 1984, and spent over three decades with the Lynchburg Commonwealth's Attorney's Office, serving as an Assistant Commonwealth's Attorney from 1984 until his election as Commonwealth's Attorney in 2006, a position he held until December 2017; and

WHEREAS, Judge Doucette received numerous accolades throughout his distinguished career, including:

- Virginia Association of Commonwealth's Attorneys' (VACA) Von Schuch Award as the outstanding assistant or deputy Commonwealth's Attorney for the entire state (2003)
- Selection by *Virginia Lawyers Weekly* as a "Leader in the Law" (2011)
- VACA's Robert F. Horan Jr. Award as the outstanding Commonwealth's Attorney for Virginia, and the Virginia Association of Chiefs of Police President's Award (2014)

WHEREAS, Judge Doucette was also a past president of VACA, he chaired the Protective Order subcommittee of the Governor's Domestic Violence Prevention Advisory Board, and served on the Virginia State Crime Commission, the Virginia Criminal Justice Services Board, the Virginia Supreme Court's Special Committee of Criminal Discovery Rules, and the Board of Directors of the National District Attorneys Association; and

WHEREAS, throughout his career, Judge Doucette taught fellow prosecutors across the state at several conferences and has been a frequent faculty member of the National College of District Attorneys; and

WHEREAS, Judge Doucette is a United States Air Force Cold War veteran who resides in Lynchburg with his wife, Beth, with whom he shares four adult children and six grandchildren; and,

WHEREAS, Judge Doucette was appointed to the Circuit Court bench on May 01, 2020, and over the past six years Judge Doucette has presided over numerous complex criminal and civil cases where he has exhibited his knowledge, dedication and professionalism, all of which will be greatly missed;

NOW, THEREFORE, BE IT RESOLVED that the Nelson County Board of Supervisors does hereby recognize the Honorable Michael R. Doucette for his many years of service and commitment to the citizens of Nelson County and Virginia, and congratulates him on his well-deserved retirement from service as Judge of the Circuit Court of the Twenty-fourth Judicial District of Virginia, with best wishes for many years of happiness and contentment.

Adopted: July 14, 2026

Attest: _____, Clerk
Nelson County Board of Supervisors

BOARD OF
SUPERVISORSERNIE Q. REED
Central DistrictJESSE N. RUTHERFORD
East DistrictJ. DAVID PARR
West DistrictDR. JESSICA LIGON
South DistrictA. CAMERON LENAHAN
North DistrictCANDICE W. MCGARRY
County AdministratorAMANDA B. SPIVEY
Administrative Assistant/
Deputy ClerkGRACE E. MAWYER
Director of Finance and
Human Resources

RESOLUTION R2026-55
NELSON COUNTY BOARD OF SUPERVISORS
NELSON COUNTY HIGH SCHOOL VARSITY GIRLS SOCCER TEAM
UNDEFEATED 2026 SEASON AND VHSL CLASS 2 STATE CHAMPIONS

WHEREAS, the Nelson County High School varsity girls soccer team, affectionately known as the Lady Governors, completed a historic and unforgettable 2026 spring season by capturing the program's first-ever state title; and

WHEREAS, the Lady Governors demonstrated athletic dominance, flawless teamwork, and relentless grit to finish the year with a perfect, undefeated 23-0 record, sweeping the Dogwood District championship, the Region 2C championship, and the Virginia High School League (VHSL) Class 2 State Championship; and

WHEREAS, on June 13, 2026, at Spartan Stadium in Salem, Virginia, the Lady Governors engaged in a grueling, defensive battle against Glenvar High School, matching them through a scoreless regulation, four intense overtimes followed by a penalty kick shootout, where the Lady Governors secured a hard-fought 3-2 victory; and

WHEREAS, this historic achievement brought immense pride, joy, and unity to the school, the families, and the entire community of Nelson County;

NOW THEREFORE BE IT RESOLVED that the Nelson County Board of Supervisors hereby officially recognizes and commends the Nelson County High School varsity girls soccer team, their coaches, and staff for their extraordinary, historic, and undefeated 23-0 season culminating in the 2026 VHSL Class 2 State Championship.

2026 Nelson County High School Varsity Girls Soccer Team

Piper Kelly - Captain
Mary Jo Allen
Lindsay Lloyd
Anna Winter
Sadie Perry
Caroline Hatfield
Sophia Pannell

Adele Moldenhauer - Captain
Aleah Garrett
Jayna Birckhead
Clara Moldenhauer
Hanna Rivera
Lily Perry - Captain
Avary Sullivan

Sophia Piedra
Abigail Hobbs
Laney Harvey
Ava Proctor
Josie Alonso
Mariah Becerra
Isabel Ackman

Head Coach: Bryan Ferren **Assistant Coaches:** Bucky Simpson, Justin Cober-Lake and Rylee Truslow
Managers: Gabby Grimm and Zoey Marrs **Athletic Trainer:** Rita Crawford
Superintendent: Dr. Amanda Hester **Principal:** Kevin Walker **Athletic Director:** Greg Mullins

Approved: July 14, 2026

Attest: _____, Clerk
Nelson County Board of Supervisors

BOARD OF
SUPERVISORSERNIE Q. REED
Central DistrictJESSE N. RUTHERFORD
East DistrictJ. DAVID PARR
West DistrictDR. JESSICA LIGON
South DistrictA. CAMERON LENAHA
North DistrictCANDICE W. MCGARRY
County AdministratorAMANDA B. SPIVEY
Administrative Assistant/
Deputy ClerkGRACE E. MAWYER
Director of Finance and
Human Resources

RESOLUTION R2026-56
NELSON COUNTY BOARD OF SUPERVISORS
NELSON COUNTY FFA CHAPTER'S SUCCESS AT
100th VIRGINIA FFA STATE CONVENTION

WHEREAS, twenty-eight members of the Nelson County FFA chapter competed at the 100th Annual Virginia FFA State Convention, participating in career and leadership development events that showcase agricultural knowledge and leadership skills; and

WHEREAS, Nelson County FFA members had a strong showing, earning top placements, individual honors and state-level recognition across multiple career development events; and

WHEREAS, the Board of Supervisors wishes to recognize the following students for their wins at the state level and thank each of them for representing Nelson County:

State Champion Agricultural Communications Team

Lily Allen
River Wood
Kyle Evans
James Martin

State Champion Agriscience Fair Teams

Willow Garrett and Precious Bailey – Animal Systems Division 6
Georgia Saunders and Lillie Rutherford – Plant Systems Division 4
Sophia Ramsey and Mariah Cash – Animal Systems Division 4

State Winner Proficiency Awards

Eli Hatter- Forest Management and Products
Jodie Saunders- Beef Production Placement
Campbell Bauserman- Diversified Livestock Entrepreneurship

Virginia FFA State Star Farmer

Campbell Bauserman

NOW THEREFORE BE IT RESOLVED that the Nelson County Board of Supervisors hereby congratulates the Nelson County FFA chapter on its achievements during the 100th Annual Virginia FFA State Convention and wishes each of these students the best of luck as they advance to the National FFA Convention this fall.

Approved: July 14, 2026

Attest: _____, Clerk
Nelson County Board of Supervisors

From: [Candy McGarry](#)
To: [Jessica Ligon](#); [Jesse Rutherford](#); [David Parr](#); [Ernie Reed](#); [Cameron Lenahan](#)
Cc: [Phil Payne IV \(phillip.payne@phillipaynelaw.com\)](#); [Amanda Spivey](#); [Grace Mawyer](#); [Jennifer Fitzgerald](#); [George Miller](#); [med@fplegal.com](#)
Subject: FW: Joint meeting-action items
Date: Wednesday, July 8, 2026 12:51:51 PM

All,

Please see the update just received from Jennifer on the joint meeting action items discussed. Thank you!

Best,
Candy

From: Jennifer Fitzgerald <jfitzgerald@ncsava.com>
Sent: Wednesday, July 8, 2026 12:43 PM
To: Candy McGarry <CMcGarry@nelsoncounty.org>
Cc: Mike Derdeyn <med@fplegal.com>; George Miller <gmiller@ncsava.com>
Subject: Joint meeting-action items

Good afternoon Candy,

Please distribute this information to the County of Nelson Board of Supervisors as a follow up to the joint meeting on June 30, 2026. I have compiled below information for the action items outlined in the joint meeting between the NCSA Board of Directors and the County of Nelson Board of Supervisors.

The request for the cost comparison of renting a temporary plant versus purchasing a temporary plant.

I received the following information from our engineer, Eric Anderson with CHA. The Blubox plant we have priced as a temporary/rental unit comes with a 1-year warranty on all equipment and 2-year warranty on membranes. This short warranty is a function of the expected shelf life of temporary package plant, which is generally 3-5 years. The plants very quickly have issues: the metal tanks rust through, the pumps/blowers are of poor quality and not built to last, instrumentation/controls are typically lower shelf products. A rental unit will be effective as a stop-gap solution while issues with the new plant are worked out, but it would not be a good long-term solution to rely on them for the long term.

The request to contact Ground Effects Environmental Services in Canada about the cost and availability of a temporary plant.

I received the following information from Eric with CHA. We've been in discussions with them since right after the board meeting. They are working on something for us now, but they have preliminarily indicated to us that they cannot treat ammonia.

Can NCSA afford to contribute \$1M towards the Short term corrective action plan-temporary plant?

I received the following information from our auditor, Josh Roller with Robinson, Farmer Cox Associates.

His information is based off NCSA unaudited, unadjusted water and sewer trial balances thru 6/30/26. He says our net income for water is \$146,038 and sewer is (-\$22,964). Total cash appears to be \$830,000 for water and \$2,100,000 for sewer. These numbers should include all debt payments for the year. I asked him, if we would be able to use \$1M for the short-term corrective action plan and still be in compliance with our lenders. His answer was hard to say with exact certainty-there will be quite a few year-end adjustments that will move the net income numbers (OPEB, VRS Pension, depreciation, debt payments, capital projects, etc.) He said, with that being said, it does appear that there are enough funds available to pay the \$1M and still be in compliance with bond ratios.

Please let me know if I have missed anything that was requested.

Sincerely,
Jennifer

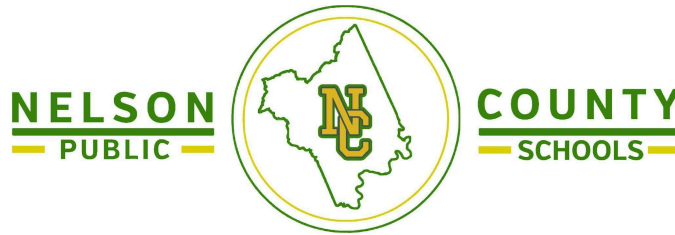
Jennifer Tyree Fitzgerald
Assistant Executive Director
Nelson County Service Authority
PO Box 249
Lovingson, VA 22949
(434) 263-5341 x110 (office)



Mrs. Shannon Powell, Chair
West District

Mr. Joe Richardson, Trustee
North District

Dr. Stacy Rush, Trustee
Central District



VIA 1
Mr. Ceaser Perkins, Vice Chair
South District

Mr. Joe Kennedy, Trustee
East District

Dr. Amanda C. Hester
Division Superintendent

June 25, 2026

Dear Members of the Nelson County Board of Supervisors:

On behalf of the Nelson County School Board, we respectfully request further consideration of the FY2027 budget allocation for Nelson County Public Schools. At the center of this discussion are the students and families we serve. Sustaining educational excellence requires attracting, retaining, and supporting talented employees who work directly with our children every day. Adequate and sustainable funding is essential to that mission. We sincerely appreciate the County's continued support for public education and recognize the effort to include an additional \$835,065 in new County funding in the proposed budget. However, this increase does not fully offset the significant financial impact of the increase in the Local Composite Index (LCI), resulting in a loss of \$1,165,406 in state funding to NCPS. Despite continued advocacy with state representatives regarding the inequities created by the LCI, the current formula remains unchanged. Virginia continues to view Nelson County as having a greater local capacity to fund education than our actual circumstances support.

As a result, Nelson County Public Schools currently faces the prospect of reducing approximately \$1.635 million from its FY2027 budget request. These reductions would require difficult decisions that directly impact our employees, programs, and ultimately our students. Potential reductions include:

- No cost-of-living adjustment (COLA) or step increase for school employees, despite the County budget including a 2% COLA for county employees. A 2% increase would cost around \$243,000 (\$121,428.58/percentage) + \$60,714.29 for the step increase.
- No funding for anticipated health insurance premium increases.
- Eliminate the Early Retirement Incentive Program (ERIP).
- Leave current teaching vacancies unfilled at NCHS, NMS, and RRES.
- Continue to leave the Clerk of the Board/Administrative Assistant position vacant, with duties absorbed by existing staff with no additional compensation.
- Leave custodial positions unfilled, despite increasing challenges in recruiting and retaining employees. Notably, several former school division employees have accepted county positions citing higher pay and less physical labor.
- Reduce or eliminate programs and initiatives that support student achievement and division operations.

These decisions would have consequences extending well beyond a single fiscal year. They would impact our ability to recruit and retain high-quality employees, remain competitive with neighboring divisions and local employers, maintain essential services, and continue the academic progress our schools have achieved. Nelson County Public Schools has consistently demonstrated fiscal responsibility. We maximize federal, state, and grant funding opportunities before requesting additional local support. During the ESSER funding period, federal resources enabled the division to address major facility needs, including HVAC improvements and roof replacements. With those funds now exhausted, the division has far fewer options available to absorb increasing costs and state funding shortfalls.

The School Board respectfully requests that the Board of Supervisors further review the FY2027 school budget and consider additional funding support to address the increased local burden created by the LCI adjustment, provide equitable cost-of-living increases for school employees, and help offset rising health insurance costs. We remain committed to working collaboratively with the Board of Supervisors to identify solutions that best serve our students, employees, and community. We appreciate your consideration and look forward to continuing our partnership for Nelson County's future.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Shannon Powell', is written in black ink.

Shannon Powell, Nelson County School Board Chair



Nelson County Public Schools



2026-2027 FY27 Nelson County School Board Operational Budget

Dr. Amanda C. Hester, Superintendent

June 30, 2026

WE ARE COMMITTED TO:

- Learning for all
- Maintaining an environment conducive to learning
- Supporting communication, collaboration, and teamwork
- Using the growth and learning process as a critical component of our organization
- Teaching the importance of mutual respect, character development, and diversity
- Including the community and business as key partners in the educational process
- Maintaining positive and proactive public relations
- Learning as a lifelong process

Budget Goals and Board Goals



Student Success

Individualized instruction

Diversified courses

Career Readiness



Orderly, Safe, Healthy Environment

Utilizing appropriate
mitigation strategies and
safety procedures



Operational Excellence

Solid budget of need

Efficient Use of Resources

Accomplishing Goals of the
School Board



Highly Qualified Workforce

Competitive compensation

Attract and retain qualified
and well educated staff



Community Engagement

Technology innovations

Inform and update through
variety of mediums

Local Composite Index

The Local Composite Index or LCI measures a locality's ability to pay for education costs relative to other localities across the Commonwealth. The LCI is based on property values, adjusted gross income, and taxable retail sales. A lower LCI indicates less local wealth and qualifies a division for more state funding; a higher LCI means the locality is expected to contribute a greater share of its education costs.

Local Composite Index- cont'd

- Established every 2 years and applied to the biennium budget
- 2024-2026 LCI for NCPS- .6645
- 2026-2028 LCI for NCPS- .7269
 - 13th highest in the Virginia out of 132 school districts
- Financial Impact of LCI increase on FY27 budget:
\$1,165,406
 - this includes enrollment

Standards of Quality

The Standards of Quality or SOQs are the minimum requirements established by the Virginia General Assembly that define what every public school division must provide to ensure an adequate educational program. The SOQs outline requirements for instructional programs, staffing ratios, facilities, and support services. They serve as the foundation for state funding to local school divisions.

Standards of Quality - cont'd

- SOQs impact staffing but are also part of the calculation of the Cost of Living Adjustment (COLA)
- State funded COLA is provided only for SOQ positions
- The LCI also impacts the State COLA funding (27.31% state/72.69% local)
- Almost all Virginia school divisions staff over and above the SOQ standard in order to provide the appropriate support for the needs of the students, schools, and division
- Therefore, when you hear “A raise for all teachers” from the General Assembly, what that means is only for SOQ positions –approximately 53% of our full-time staff and only 27.31% of the total cost for those 53%.

Timeline of the Budget

- November, 2025- Local Composite Index data was released
- December 17, 2025- Governor Youngkin's proposed budget was released
- February 5, 2026- Initial presentation of the Superintendent's budget
 - February 19, 2026- Budget work session
- March 12, 2026-School Board approved and adopted the Nelson County School Board requested Operational Budget in the amount of **\$34,976,942** for Fiscal Year 2026-2027, which required a County Contribution of **\$22,774,480** in addition to the **\$164,935** annually allocated for the School Nursing Program. This request included **\$600,000** to purchase **4 new school buses**.
 - **May 12, 2026**- Board of Supervisors held their public hearing
- March 18, 2026- Board of Supervisors voted to include additional funding of **\$1.6 million** for the School Division in the General Fund budget to be advertised for public hearing. This funding is broken down as follows: **\$835,065 Transfer to School Fund-Operational**, **\$164,935 Transfer to School Nursing** and **\$600,000 Transfer to School (Buses)**. At that time, this created a funding shortfall of **~\$936,675** between what we requested and what we anticipated being allocated.
- April 2, 2026- School Board participated in Budget Exercise to identify areas to consider cutting to address the budget shortfall

Timeline of the Budget- cont'd

- May 7, 2026- School Board approved making a request from the Board of Supervisors to place all “turnback” funds into a Capital Improvement Fund to be used by NCPS for necessary projects. That request was submitted to the County Administrator on May 12, 2026.
- June 9, 2026- Board of Supervisors approved the County budget, maintaining the appropriation of **\$1.6 million** additional money to the School Board.
- June 11, 2026- School Board meeting discussion of funding gap and positions and programs that will need to be cut
- June 22, 2026- General Assembly approved a budget and submitted to the Governor for approval. Included in this budget was a **4% COLA for teachers (SOQ positions)**
- June 25, 2026, the Nelson County School Board submitted a letter to the Nelson County Board of Supervisors requesting the **consideration of additional funding.**
- June 29, 2026 - Governor Spanberger approved the State budget
- June 30, 2026- Nelson County School Board anticipated approval of the NCPS budget.

Current Budget Shortfall

- Important to remember: About 80% of the budget is connected to people through compensation
- With the current approved State budget, NCPS budget shortfall is \$1,521,182 in addition to the additional \$1.6 million from the BoS
- With the current appropriated money from BoS, this would require the School Board to eliminate current vacant positions such as 3 teaching positions, 2 custodial positions
- NCPS would not be able to support any Cost of Living Adjustments or Health Insurance increases for its employees
- Would need to eliminate several other programs and items to be able to make the budget
- The most significant contributor to the budget shortfall is created by the LCI increase
- An additional \$931,610.90 could allow NCPS to provide the COLAs for all staff and support the increases to Health Insurance
 - This would still require cuts to staffing and other budget items.

Summary

In congruence with the amount of funds appropriated by the Nelson County Board of Supervisors of an additional \$1.6 million incorporating \$835,065 Transfer to School Fund-Operational, \$164,935 Transfer to School Nursing, and \$600,000 Transfer to School (Buses), the Nelson County School Board will need to approve the following recommendations:

Recommendations:

- Approve the 2026/2027 Nelson County Public School Regular Operating Budget in the amount of \$33,721,376 comprised of funding in the amount of \$21,518,914 from the County of Nelson which includes recurring funding of \$164,935 for school nurses and \$600,000 for the purchase of 4 school buses, \$2,351,990 from the Federal Govt, \$6,333,242 from the State, \$2,548,076 anticipated from Sales Tax Revenue, and \$969,154 from Other Sources.
- Approve the appropriated fund balance in the Textbook Fund in the amount of \$241,085
- Approve the appropriated fund balance in the School Cafeteria fund in the amount of \$537,411

**Continue to advocate for additional funding to counter the impact of the LCI and to support the needs of the students, staff, and school division*

O

NELSON  **ON**

E



JEFFREY PALMORE
CHAIRMAN

ROBYN DE SOCIO
EXECUTIVE SECRETARY

STACI HENSHAW
KRISTIN COLLINS
EX-OFFICIO MEMBERS

COMMONWEALTH OF VIRGINIA

Compensation Board

P.O. Box 710
Richmond, Virginia 23218-0710

June 24, 2026

EMAIL MEMORANDUM

TO: Constitutional Officers, Regional Jail Superintendents, and Governing Bodies

FROM: Robyn M. de Socio, Executive Secretary

SUBJECT: Legislative Budget Action of the 2026 General Assembly Special Session I

Following is a summary of funding and language amendments to the biennial budget funding proposals in HB30 (of the 2026 Special Session I of the General Assembly), approved by the House and Senate on Monday, June 22 that impact Constitutional Officers and the Compensation Board. Also included is a summary of items proposed in the Governor's Budget Bill as introduced in December, 2025 that remain unchanged, however items that are solely technical in nature are not listed.

The Compensation Board is working to complete all budget allocation processes to ensure FY27 budgets for constitutional offices are available as soon as the legislative process is complete and the budget for the Commonwealth is approved by the Governor. The deadline for gubernatorial action on the Budget Bill is the end of the day on Monday, June 29.

As the Compensation Board has not previously provided budget estimates for FY27 in accordance with §15.2-1636.8 of the Code of Virginia due to the delay in approval of a budget agreement to fund the next biennium, staff will make available detailed estimates for each office of the impact on budgets and reimbursements of major funding initiatives approved by the legislature and included in budgets for FY27. These estimates will be provided once final legislative and gubernatorial budget action is complete and FY27 budgets are approved by the Compensation Board.

FY27/FY28 Biennial Budget Bill (HB30)

Items originally included in Governor's Introduced Budget Bill (December, 2025), Unchanged

Sheriffs and Regional Jails/Jail Funding

- Funding of \$700,000 is provided in each year of the biennium to support restoration of salary funding for 18 administrative support positions in sheriffs' offices that are currently unfunded due to previous budget reductions during periods of revenue shortfall, and the sheriff's office has no currently funded administrative support positions.

Items included in the Conference Report of the 2026 General Assembly Special Session I

All Constitutional Officers

- Funding to support a 3.5% across-the-board salary increase for Constitutional Officers, Regional Jail Superintendents, Finance Directors and their Compensation Board funded employees, is included in each year of the biennial budget effective August 1, 2026 and July 1, 2027, as well as for state employees effective no earlier than July 25, 2026 and June 10, 2027.

Sheriffs and Regional Jails/Jail Funding

- Elimination of \$3.9 million proposed in the introduced Budget Bill that would have supported the allocation of an additional 71 deputy sheriff positions for law enforcement, with the intent to ensure every county sheriff's office with primary law enforcement responsibilities has a minimum of 10 law enforcement deputy positions.
- Funding of \$127,269 in each year is included to cover recent cost increases in the Virginia Victim Information and Notification Everyday (VINE) services.
- Funding of \$75,000 each year is included to increase to \$390,939 the amount available annually to reimburse Nottoway County for their expense of confining residents of the Virginia Center for Behavioral Rehabilitation who are arrested for new offenses and held in Piedmont Regional Jail.

Commonwealth's Attorneys

- Funding of \$329,320 in the first year and \$359,258 the second year is included to restore state salary funding support for all *underfunded* positions allocated in Commonwealth's Attorneys' offices (positions funded with a current salary that is below the minimum salary of the pay band) to the minimum salary of their pay band. This funding will not restore salaries to positions that are *unfunded*.
- Funding of \$1.6 million in the first year and \$1.7 million the second year is included to reclassify paralegal positions in Commonwealth's Attorneys' offices to a higher administrative salary level, applied as an across-the-board 33.96% increase to avoid salary compression.

Circuit Court Clerks

- Funding of \$459,927 in the first year and \$510,937 the second year is included to provide the career development program salary incentive for additional circuit court clerks and deputy clerks that meet the criteria of their career development programs.

Administration

- Funding of \$60,000 in the first year from the general fund to support system upgrades to the Local Inmate Data System (LIDS) necessary to implement the provisions of Chapter 685 (House Bill 861), which establishes reporting requirements for state, regional, and local correctional facilities related to pregnant and postpartum inmates.
- Language is included that authorizes the Compensation Board to withhold reimbursements due to local and regional jails for noncompliance with existing requirements to report deaths in custody to the State Board of Local and Regional Jails.

91030-5616 Employee Salary Adjustment/Benefit Cost

Implementation Date of Raises: 8/01/2026

	<u>Option 1: 3.5% Comp Board Only</u>	<u>Option 2: 3.5% All Employees</u>
Total Additional Expenditure	\$ 80,051	\$ 102,742
Total Additional Revenue	\$ (77,645)	\$ (77,645)
Net Local Cost	\$ 2,406	\$ 25,097

<u>Option 1:</u>	<u>Initial-2.0% Budgeted</u>	<u>3.5% Comp Bd Only</u>	
COLA	\$ 170,055	\$ 250,106	\$ 80,051
Bonus	\$ 196,976	\$ 196,976	\$ -
Health Ins	\$ 71,184	\$ 71,184	\$ -
	<u>\$ 438,215</u>	<u>\$ 518,266</u>	<u>\$ 80,051</u> Additional expenditure

<u>Option 2:</u>	<u>Initial-2.0% Budgeted</u>	<u>3.5% ALL</u>	
COLA	\$ 170,055	\$ 272,797	\$ 102,742
Bonus	\$ 196,976	\$ 196,976	\$ -
Health Ins	\$ 71,184	\$ 71,184	\$ -
	<u>\$ 438,215</u>	<u>\$ 540,957</u>	<u>\$ 102,742</u> Additional expenditure

<u>Comp Board - Reimbursement</u>			<u>Full year</u>	<u>11 months</u>	<u>New FY27 Salaries</u>	<u>Total New Reimbursed</u>	
COR	\$ 97,806	1.5%	\$ 1,467	\$ 1,345	\$ -	\$ 1,345	
Treas	\$ 96,832	1.5%	\$ 1,452	\$ 1,331	\$ -	\$ 1,331	
Circ Ct	\$ 258,567	1.5%	\$ 3,879	\$ 3,555	\$ -	\$ 3,555	
Com Atty	\$ 407,037	1.5%	\$ 6,106	\$ 5,597	\$ 7,936	\$ 13,533	
Sheriff	\$ 1,161,158	1.5%	\$ 17,417	\$ 15,966	\$ 39,039	\$ 55,005	
	<u>\$ 2,021,399</u>		<u>\$ 30,321</u>	<u>\$ 27,794</u>		<u>\$ 74,769</u>	Reimbursed by Comp Bd
<u>Department of Elections - Reimbursement (Registrar)</u>						<u>\$ 2,876</u>	Reimbursed by State BOE
						<u>\$ 77,645</u>	TOTAL Reimbursement



SHERIFF
M.E. EMBREY

NELSON COUNTY SHERIFF'S OFFICE

An equal opportunity employer

P.O. Box 36, 84 COURTHOUSE SQUARE, LOVINGSTON, VIRGINIA 22949 ~ BUSINESS 434.263.7050 ~ FAX 434.263.7056

July 2, 2026

To: Board of Supervisors
Ms. Candy McGarry, County Administrator
Ms. Grace Mawyer, Director of Finance

From: Sheriff Mark E. Embrey

RE: Letter of Support for Salary Increases during FY27

Members of the Board,

As you are aware, the 2026 General Assembly approved salary increases of 3.5% for all Constitutional Officers and their Compensation Board funded permanent staff positions. The cumulative Nelson County Sheriff's Office Budgeted Payroll authorizes (36) full-time employees. The Virginia Compensation Board currently provides funding for (20) full-time employees within the Nelson County Sheriff's Office budgeted payroll, who are **guaranteed** to receive this 3.5% salary increase, effective August 1, 2026. These employees can be identified as the following:

- (15) Sworn Deputies (Administrative Staff, Supervisors, Deputies)
- (5) Dispatchers (Operating under the Supervision of Mr. Adkins)

The remaining (16) full-time employees of the Nelson County Sheriff's Office budgeted payroll are compensated through locally-funded positions, and these personnel are **NOT guaranteed** the same 3.5% salary increase as their co-workers, effective August 1, 2026. These individuals can be identified as the following:

- (14) Sworn Deputies (SROs, Court Security, and Deputies)
- (2) Civilians (Ms. Thomas and Ms. Martin)

I would like to preface that I am extremely grateful for this Board's adoption of a 2% one-time bonus (Locally-funded Employee salaries effective June 30, 2026), as well as a 2% Salary Increase during FY27 for locally-funded employees (which



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DOES include the “15” previously identified employees of the Nelson County Sheriff’s Office).

I am fully aware that no members of this Board, nor even myself, were anticipating the 2026 General Assembly to approve a 3.5% across-the-board salary increase for state-supported employees effective August 1, 2026. However, as a Constitutional Officer, it is my duty to ensure that ALL employees within my office receive “Equal” compensation, as authorized by the Virginia State Legislature.

I humbly and respectfully request that an additional 1.5% Salary Increase be allotted for the (15) full-time employees that have previously been identified. These individuals risk their lives daily, go ‘above-and-beyond’ for the County of Nelson, and should not be **excluded** from this additional salary increase based solely on their salary exclusion outside of the Virginia Compensation Board.

Without this Board’s authorization of this additional 1.5% Salary Increase, I can’t begin to describe the disruption within Department morale.

Please give strong and urgent consideration to this additional salary increase. I am happy to meet with any members of this Board to discuss this matter in further detail prior to the July 14, 2026, Board meeting.

Very Truly and Respectfully,

A handwritten signature in blue ink, appearing to read "Mark E. Embrey".

Mark E. Embrey
Sheriff, Nelson County



BOARD OF
SUPERVISORS

ERNIE Q. REED
Central District

JESSE N. RUTHERFORD
East District

J. DAVID PARR
West District

DR. JESSICA LIGON
South District

A. CAMERON LENAHAN
North District

CANDICE W. MCGARRY
County Administrator

AMANDA B. SPIVEY
Administrative Assistant/
Deputy Clerk

GRACE E. MAWYER
Director of Finance and
Human Resources

RESOLUTION R2026-58
NELSON COUNTY BOARD OF SUPERVISORS
RESOLUTION OF THE BOARD OF SUPERVISORS OF NELSON COUNTY, VIRGINIA
REQUESTING A REFERENDUM ON A LOCAL GENERAL RETAIL SALES TAX FOR
SCHOOL CAPITAL PROJECTS

WHEREAS, effective July 1, 2026, the Virginia General Assembly has enacted its biennial budget and appropriation legislation (**“Budget Bill”**) for the biennium commencing July 1, 2026 and ending June 30, 2028;

WHEREAS, the Budget Bill enacts amendments to Sections 58.1-605.1 and 58.1-606.1 of the Code of Virginia of 1950, as amended (**the “Code”**), authorizing the governing body of any county or city to levy a general retail sales and use tax at a rate not to exceed one percent, provided that such tax is approved by referendum and the revenues are used solely for capital projects for the new construction or major renovation of schools serving the county or city, including related bond and loan financing costs;

WHEREAS, such general retail sales and use tax, if approved by the qualified voters and imposed by ordinance of the Board of Supervisors (**the “Board of Supervisors”**) of Nelson County, Virginia (**the “County”**), shall be added to the rates of the state and local sales and use taxes, shall be administered and collected by the County’s Commissioner of the Revenue as provided by law, and shall not be levied on food purchased for human consumption or essential personal hygiene products as defined in Section 58.1-611.1 of the Code;

WHEREAS, Section 58.1-605.1 of the Code, as amended by the Budget Bill, requires that the referendum be initiated by resolution of the local governing body, that the resolution state the date by which any bonds or loans financing the school capital projects shall be repaid or, if bonds or loans are not used, the date on which the sales tax shall expire, and that the expiration date shall not be more than twenty years after the date of the initiating resolution;

WHEREAS, Section 24.2-684 of the Code provides that no referendum shall be placed on the ballot unless specifically authorized by statute or charter and that any referendum question submitted to the voters of a county shall be held pursuant to a court order stating the question to appear on the ballot in plain English;

WHEREAS, the Board of Supervisors has determined that it is in the best interests of the County to request that the Circuit Court of Nelson County, Virginia enter an order calling a referendum to be held on November 3, 2026, on whether the County may levy a general retail sales tax at a rate not to exceed one percent for school capital projects;

WHEREAS, revenues from such general retail sales tax shall be used solely for capital projects for new construction or major renovation of schools serving the County, including bond and loan financing costs related to such construction or renovation.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of Nelson County, Virginia, as follows:

1. The Board of Supervisors hereby initiates, pursuant to Section 58.1-605.1 of the Code, as amended by the Budget Bill, and Section 24.2-684 of the Code, a referendum to be submitted to the qualified voters of the County on whether the County shall be authorized to levy a general retail sales tax at a rate not to exceed one percent to provide revenue solely for capital projects for the new construction or major renovation of schools in the County.
2. The general retail sales tax, if approved by referendum and thereafter imposed by ordinance of the Board of Supervisors, shall be used solely for capital projects for new construction or major renovation of schools serving the County, including bond and loan financing costs related to such construction or renovation. If approved by referendum, the County expects to authorize by ordinance a corresponding use tax as provided under Section 58.1-606.1 of the Code.
3. The Board of Supervisors states that the school capital projects to be funded with revenues from the general retail sales tax are expected to be financed by bonds or loans, and such general retail sales tax shall expire on the date by which such bonds or loans are repaid, such bonds or loans expected to mature annually for a period of twenty years or longer; provided that such expiration date shall not be later than July 14, 2046.
4. For any such capital projects for the construction or major renovation of schools in the County not financed by bonds or loans, the tax levied pursuant to this Resolution, if approved by referendum, shall expire on July 14, 2046.
5. The Board of Supervisors hereby requests that the Circuit Court of Nelson County, Virginia enter an order requiring County election officials to conduct a special election for the qualified voters of the County to be held on November 3, 2026, the day of the general election, and that the referendum question be placed on the ballot in substantially the following form:

Shall Nelson County, Virginia be authorized to levy a general retail sales tax at a rate not to exceed one percent, with the revenues to be used solely for capital projects for new construction or major renovation of schools serving Nelson County, Virginia including related bond and loan financing costs, and with the tax expiring on July 14, 2046?

Yes

No

6. The County Attorney and Sands Anderson PC as special counsel to the County are authorized and directed to prepare and file any and all documents necessary to effectuate this request before the Circuit Court of Nelson County, Virginia.
7. The Clerk or any Deputy Clerk of the Board of Supervisors or other agent or employee of the County is hereby authorized and directed to cause a certified copy of this Resolution to be filed with the Circuit Court of Nelson County, Virginia.
8. This Resolution and the provisions contained herein shall become effective immediately upon adoption.

Approved: _____

Attest: _____, Clerk
Nelson County Board of Supervisors

**INITIATION OF REFERENDUM FOR 1%
OPTIONAL SALES TAX SOLELY FOR
SCHOOL CAPITAL**

July 14, 2026 Board of
Supervisors Meeting

STATE CODE AUTHORIZATION

§58.1-605. Additional local sales tax in certain localities; use of revenues for public transportation, or construction and renovation of schools.

§ 58.1-606.1. Additional local use tax in certain localities; use of revenues for public transportation, or construction or renovation of schools.

§24.2-684. How referendum elections called and held, and the results ascertained and certified.

§58.1-611.1. Exemption for food purchased for human consumption and essential personal hygiene products.

STATUTORY PROVISIONS

- Following approval by referendum, Counties may levy a general retail sales tax at a rate not to exceed 1% to provide revenue solely for construction and major renovation of schools serving the County.
- The tax levied shall not be levied on food purchased for human consumption or essential personal hygiene products as defined in State Code section 58.1-611.1
- Revenues from this tax shall not be used for repayment of existing indebtedness authorized by the County for public school capital projects that began or were completed prior to the imposition of this tax
- Any such tax approved by referendum and imposed by the County shall expire on the later of (i) if the capital projects for the construction or renovation of schools are to be financed by bonds or loans, on the date by which said bonds or loans shall be repaid or (ii) if the capital projects for the construction or renovation of schools are not to be financed by bonds or loans, on or before July 14, 2046

PROPOSED REFERENDUM LANGUAGE

“Shall Nelson County, Virginia be authorized to levy a general retail sales tax at a rate not to exceed one percent, with the revenues to be used solely for capital projects for new construction or major renovation of schools serving Nelson County, Virginia including related bond and loan financing costs, and with the tax expiring on July 14, 2046?

Yes

No”

ADDITIONAL INFORMATION

- Funds from tax are solely for school construction & renovation and would not be available for General Fund use; collected by the State and held in a designated account until they are remitted to the County monthly
- Funds would not be co-mingled with the existing 1% Sales and Use tax within the General Fund; would go into and be tracked in a designated budget account once remitted to the County by the State
- Funds can only be used for construction or renovation of schools, including associated indebtedness for projects that begin following imposition of the tax
- **Existing schools are aging and evolving needs of students and emerging technologies will necessitate building upgrades and renovation:**
 - Rockfish River Elementary School – built in 1999 (**27 years old**)
 - Tye River Elementary School – built in 1995 (**31 years old**)
 - Nelson Middle School – addition to NCHS complex built in 2003 (**23 years old**)
 - Nelson County High School – various aged wings 1955, 1970, 2003, in 2026 currently undergoing MEP upgrades and minor renovation (would not be able to use new sales tax for this project)

FINANCIAL DATA RELATED TO TAX

FY26 1% Sales Tax Collected June 30, 2026 (\$)	¹Estimated 1% Sales Tax Collected w/ Exclusions of 21.3%	²VTC (Conservative) Estimated Share Paid by Visitors (%)	³Estimated Equivalent Real Property Tax (CENTS)	⁴Estimated Additional 20-year Borrowing Ability at 5% (\$)
\$2,438,360	\$1,919,006	22%	\$0.05	\$24M

¹ Estimate provided by Davenport, includes 21.3% reduction for certain food & beverage and hygiene sales (based on 10-year average)

² Estimate provided by Virginia Tourism Corporation (VTC) Noted to be conservative for Nelson

³ Value of 1 Cent of Real Property Tax is \$418,342

⁴ Estimate provided by Davenport-Does not include "strategic debt structuring" and/or expected annual growth in tax revenue

FISCAL AND COMMUNITY IMPACT CONSIDERATIONS

- **Diversifies Revenue Streams:** Reduces reliance on property taxes by shifting some financial burden to consumer spending.
- **Captures Non-Resident Dollars:** out-of-town visitors, commuters, and tourists contribute to the local tax.
- **Enhances Borrowing Capacity:** Establishes a predictable, dedicated revenue stream to bolster borrowing ability and enhances lending confidence.
- **Retains Local Control:** Keeps 100% of the collected revenue within the County.
- **Guarantees Accountability:** Locks revenue legally into the specific voter-approved purpose of school construction and renovation.
- **Relieves Property Tax Pressure to Fund School Capital Needs:** Enables the County to capture consumer spending dollars rather than relying primarily on property taxes to fund school capital needs.
- **Spurs Economic Development:** Funds visible community improvements to schools that can contribute to attracting new businesses.
- **Low Impact per Purchase:** Represents a relatively minimal impact to consumers - \$1 additional on a \$100 purchase.

TIMETABLE FOR POTENTIAL IMPOSITION OF TAX IF BOARD OF SUPERVISORS INITIATES A VOTER REFERENDUM

- **July 6 up to and including August 13, 2026:** Board of Supervisors adopt a Resolution requesting that a Referendum for the new School Sales Tax be held during the next general election on November 3, 2026.
 - The 20-year sunset date as specified by the legislation for the new School Sales Tax is linked to the date on which this Resolution is adopted.
- **August 14, 2026:** Deadline for Judge to enter Court Order for Referendum on November 3, 2026.
- **November 3, 2026:** Referendum for the new School Sales Tax held.
- **Late November/Early December 2026: If Voter Approved,** Board of Supervisors to adopt Ordinance enacting the new School Sales Tax.
- **On/About May 1, 2027:** The New School Sales Tax becomes effective on the first day of the Month that is at least 120 days after Ordinance Adoption.

Based on the above timetable, the conservative estimate of revenues would be over approximately 19 years beginning in FY 2028.

NEXT STEPS

- Q&A
- Consider **Resolution R2026-58** Resolution Initiating a Referendum for Optional 1% Sales Tax Solely for School Capital
 - **ADOPTION OF RESOLUTION R2026-58 ONLY ENABLES THE VOTERS OF NELSON COUNTY TO DECIDE WHETHER TO HAVE THE OPTIONAL 1% SALES TAX**
 - If adopted, an attested copy of this Resolution shall be forwarded by the County Clerk (County Administrator) to the Clerk of the Circuit Court for consideration and approval by the Court, if deemed to be in order, and for processing and publication in accordance with state code requirements.
 - If adopted, an attested copy of this Resolution shall be forwarded by the County Clerk (County Administrator) to the Registrar and the Electoral Board of the County.



Discussion Materials 1% Local Option Sales Tax for School Construction

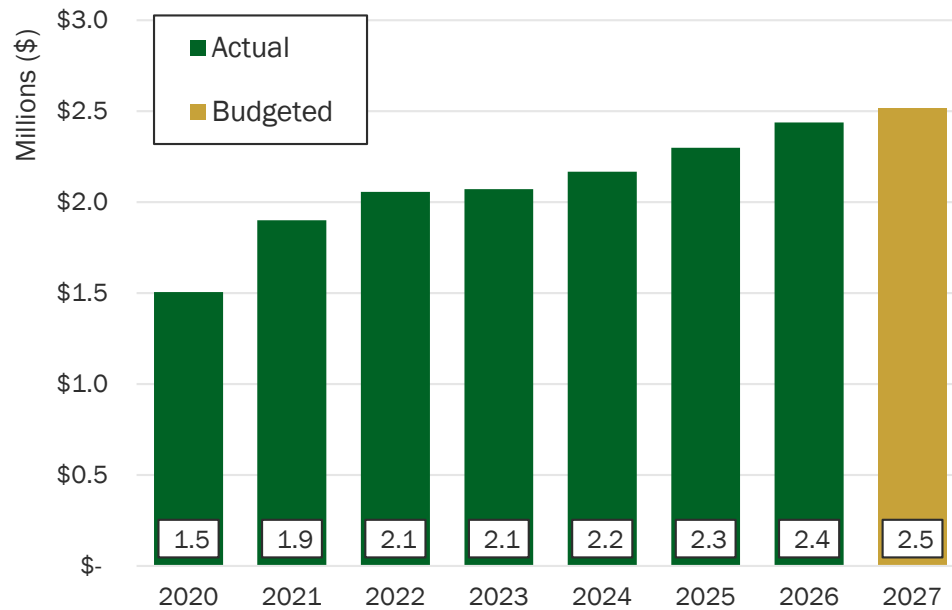


Prepared for
Nelson County, Virginia

July 8, 2026



Historical 1% Local Option Sales Tax Revenue



- In FY 2026, the County is projecting to realize approximately \$2.4 million in revenue from its existing 1% Local Option Sales Tax⁽¹⁾.
- The County has budgeted \$2.5 million in Local Option Sales Tax revenue for FY 2027.
- Compounded average growth rate (“CAGR”):
 - 5 years⁽³⁾ = 4.95%

(1) County Administration.

(2) Sourced from FY 2027 Budget.

(3) The compounded (average) annual growth rate is measured from 2023 to 2027.



New School Sales Tax | Preliminary Estimate

Estimated 1% School Sales Tax Revenues	
FY 2026 Estimated Sales Tax Revenue ⁽¹⁾	\$ 2,438,360
Food & Beverage and Personal Hygiene Haircut⁽²⁾	
Food & Beverage Stores (incl. ABC Stores)	\$ 23,560,130
Health and Personal Care Stores	112,571
Total Excluded Sales	\$ 23,672,700
Total FY 2025 Taxable Sales	\$ 111,142,932
Excluded Sales as a % of Total	21.3%
Est. 1% School Sales Tax Revenues	\$ 1,919,006

(1) Source: FY 2026 Estimated Actual from County Staff.

(2) Source: Virginia Open Data Portal. Preliminary and subject to change.

Note: The County Treasurer may have access to the Virginia Department of Taxation database which could further refine this calculation.

- In FY 2026, the County has estimated approximately \$2.4 million in revenue from its existing 1% Local Option Sales Tax.
- However, as currently enacted, the Local Option Sales Tax for Schools would exclude certain Food & Beverage/Personal Hygiene Sales.
 - For Nelson County, the excluded sales is estimated at approximately 21% of total County-wide sales.
- Based on a 10-year average of the adjustment for Food & Beverage/Personal Hygiene Sales, the Proposed School Sales Tax is estimated to generate \$1.9 million in revenues.

What Can Be Funded From the Proposed New School Sales Tax?



- Assuming the New School Sales Tax Generates approximately \$1.9 million in revenues each year, the table below shows the potential amounts that could borrowed and repaid from the revenue stream.
- Note: This does not include “strategic structuring of debt” and/or expected annual growth in School Sales Tax monies. As such, these two impacts could meaningfully increase the amount of dollars available for school capital.

		Potential Borrowing Affordability (\$ Millions)		
		Term of Debt (Years)		
		20	25	30
Interest Rate	4%	\$26	\$30	\$33
	5%	\$24	\$27	\$29



Timing Considerations

- The timetable below outlines the schedule for potential enactment of the Sales Tax.

Date	Action
July 6 up to and including August 13, 2026:	Board of Supervisors to adopt a Resolution requesting that a Referendum for the new School Sales Tax be held during the next general election on November 3, 2026. <i>NOTE: the 20-year sunset date as specified by the legislation for the new School Sales Tax is linked to the date on which this Resolution is adopted.</i>
August 14, 2026	Deadline for Judge to enter Court Order for Referendum on November 3, 2026.
November 3, 2026	Referendum for the new School Sales Tax held.
Late November/Early December 2026	Board of Supervisors to adopt Ordinance enacting the new School Sales Tax.
On/About May 1, 2027	The New School Sales Tax becomes effective on the first day of the Month that is at least 120 days after Ordinance Adoption.

- Based on the above timetable, the conservative estimate of revenues would be over approximately 19 years beginning in FY 2028.



Projected 1% Local Option Sales Tax for Schools

Est. Projected 1% Local Option Sales Tax for Schools

Annual Growth Rate Assumption		0.0%	1.0%	2.0%
Fiscal Year				
	2025	\$ 1,808,736	\$ 1,808,736	\$ 1,808,736
	2026	1,919,006	1,919,006	1,919,006
	2027	1,977,338	1,977,338	1,977,338
1	2028	1,977,338	1,997,111	2,016,885
2	2029	1,977,338	2,017,082	2,057,222
3	2030	1,977,338	2,037,253	2,098,367
4	2031	1,977,338	2,057,626	2,140,334
5	2032	1,977,338	2,078,202	2,183,141
6	2033	1,977,338	2,098,984	2,226,804
7	2034	1,977,338	2,119,974	2,271,340
8	2035	1,977,338	2,141,173	2,316,766
9	2036	1,977,338	2,162,585	2,363,102
10	2037	1,977,338	2,184,211	2,410,364
11	2038	1,977,338	2,206,053	2,458,571
12	2039	1,977,338	2,228,114	2,507,742
13	2040	1,977,338	2,250,395	2,557,897
14	2041	1,977,338	2,272,899	2,609,055
15	2042	1,977,338	2,295,628	2,661,236
16	2043	1,977,338	2,318,584	2,714,461
17	2044	1,977,338	2,341,770	2,768,750
18	2045	1,977,338	2,365,188	2,824,125
19	2046	1,977,338	2,388,839	2,880,608

The current language of the legislation requires the additional 1% Local Option Sales Tax to sunset in approximately 20 years after the date of the adoption of the Resolution calling for the Referendum. Based on the timetable on Page 5, the sunset time frame is on/about June 2046.

Note: Figures in the table above are grown from the FY 2027 Budget figure for local option sales tax as adjusted for excluded food & beverage/personal hygiene sales described on Page 3.

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Version 01.01.26 DC | BW | RK

From: [Bhattarai, Pratiksha](#)
To: [Candy McGarry](#); [Kimberly Goff](#); [Maureen A Kelley](#)
Cc: [Amanda Spivey](#); [Grace Mawyer](#); [Conner, Katie](#); [Roberts, Dan](#)
Subject: RE: Sales and Use Tax Question
Date: Thursday, July 9, 2026 10:40:51 AM



IRONSCALES couldn't recognize this email as this is the first time you received an email from this sender PBhattarai@Virginia.org

Good morning everyone,

Apologies for the delayed response on this request.

Using VTC's own economic impact data, we estimate that Nelson County visitors account for roughly 20-22% of the county's local sales and use tax revenue. We've used the state's ratio to estimate Nelson County's share. This is more likely a conservative estimate as Nelson County has a stronger tourism economy than many other Virginia localities.

I hope this helps.

Thanks!
Pratiksha

Pratiksha Bhattarai | Senior Research Manager | 804-545-5548

VIRGINIA IS FOR LOVERS

§ 58.1-605.1. Additional local sales tax in certain localities; use of revenues for construction or renovation of schools

A. 1. In addition to the sales tax authorized under § 58.1-605, a qualifying locality may levy a general retail sales tax at a rate not to exceed one percent as determined by its governing body to provide revenue solely for capital projects for the construction or renovation of schools in each such locality. Such tax shall be added to the rates of the state and local sales tax imposed by this chapter and shall be subject to all the provisions of this chapter and the rules and regulations published with respect thereto. No discount under § 58.1-622 shall be allowed on this local sales tax.

2. Any tax imposed pursuant to this section shall expire (i) if the capital projects for the construction or renovation of schools are to be financed by bonds or loans, on the date by which such bonds or loans shall be repaid or (ii) if the capital projects for the construction or renovation of schools are not to be financed by bonds or loans, on a date chosen by the governing body and specified in any resolution passed pursuant to the provisions of subdivision B 1. Such expiration date shall not be more than 20 years after the date of the resolution passed pursuant to the provisions of subdivision B 1.

B. 1. This tax may be levied only if the tax is approved in a referendum within the qualifying locality held in accordance with § 24.2-684 and initiated by a resolution of the local governing body. Such resolution shall state (i) if the capital projects for the construction or renovation of schools are to be financed by bonds or loans, the date by which such bonds or loans shall be repaid or (ii) if the capital projects for the construction or renovation of schools are not to be financed by bonds or loans, a specified date on which the sales tax shall expire.

2. The clerk of the circuit court shall publish notice of the referendum in a newspaper of general circulation in the qualifying locality once a week for three consecutive weeks prior to the election. The question on the ballot for the referendum shall include language stating (i) that the revenues from the sales tax shall be used solely for capital projects for the construction or renovation of schools and (ii) the date on which the sales tax shall expire.

C. The governing body of the qualifying locality, if it elects to impose a local sales tax under this section after approval at a referendum as provided in subsection B shall do so by the adoption of an ordinance stating its purpose and referring to this section and providing that such ordinance shall be effective on the first day of a month at least 120 days after its adoption. Such ordinance shall state the date on which the sales tax shall expire. A certified copy of such ordinance shall be forwarded to the Tax Commissioner so that it will be received within five days after its adoption.

D. Any local sales tax levied under this section shall be administered and collected by the Tax Commissioner in the same manner and subject to the same exemptions and penalties as provided for the state sales tax; however, the local sales tax levied under this section shall not be levied on food purchased for human consumption or essential personal hygiene products, as such terms are defined in § 58.1-611.1.

E. All local sales tax moneys collected by the Tax Commissioner under this section shall be paid into the state treasury to the credit of a special fund that is hereby created on the Comptroller's books for each qualifying locality under the name "Collections of Additional Local Sales Taxes in ___ (INSERT NAME OF THE QUALIFYING LOCALITY)." Each fund shall be administered as provided in § 58.1-605. A separate fund shall be created for each qualifying locality. Only local sales tax moneys collected in that qualifying locality shall be deposited in that locality's fund.

F. As soon as practicable after the local sales tax moneys have been paid into the state treasury in any month for the preceding month, the Comptroller shall draw his warrant on the State Treasurer in the proper amount in favor of each qualifying locality, and such payments shall be charged to the account of the qualifying locality under its special fund created by this section. If errors are made in any such payment, or adjustments are otherwise necessary, whether attributable to refunds to taxpayers or to some other fact, the errors shall be corrected and adjustments made in the payments for the next two months as follows: one-half of the total adjustment shall be included in the payment for each of the next two months. In addition, the payment shall include a refund of amounts erroneously not paid to each qualifying locality and not previously refunded during the three years preceding the discovery of the error. A correction and adjustment in payments described in this subsection due to the misallocation of funds by the dealer shall be made within three years of the date of the payment error.

G. The revenues from this tax shall be used solely for capital projects for new construction or major renovation of schools in the qualifying locality, including bond and loan financing costs related to such construction or renovation.

2019, c. 648;2020, cc. 327, 427, 428, 705, 708, 865.

The chapters of the acts of assembly referenced in the historical citation at the end of this section(s) may not constitute a comprehensive list of such chapters and may exclude chapters whose provisions have expired.

§ 58.1-611.1. Exemption for food purchased for human consumption and essential personal hygiene products

A. Before January 1, 2023, the tax imposed by §§ 58.1-603 and 58.1-604 on food purchased for human consumption and essential personal hygiene products shall be one and one-half percent of the gross sales price. The revenue from the tax shall be distributed as follows: (i) the revenue from the tax at the rate of one-half percent shall be distributed as provided in subsection A of § 58.1-638 and (ii) the revenue from the tax at the rate of one percent shall be distributed as provided in subsections B, C, and D of § 58.1-638.

B. On and after January 1, 2023, and except for taxes imposed pursuant to §§ 58.1-605 and 58.1-606, no tax shall be imposed under this chapter, or pursuant to any authority granted under this chapter, on food purchased for human consumption or essential personal hygiene products.

C. Beginning February 1, 2023, an amount equal to the revenue that would have been distributed pursuant to clause (ii) of subsection A shall be distributed as provided in subsections B, C, and D of § 58.1-638 based on the estimates of the population of cities and counties ages five to 19.

D. 1. As used in this section, "food purchased for human consumption" has the same meaning as "food" defined in the Food Stamp Act of 1977, 7 U.S.C. § 2012, as amended, and federal regulations adopted pursuant to that Act, except it shall not include seeds and plants which produce food for human consumption. For the purpose of this section, "food purchased for human consumption" shall not include food sold by any retail establishment where the gross receipts derived from the sale of food prepared by such retail establishment for immediate consumption on or off the premises of the retail establishment constitutes more than 80 percent of the total gross receipts of that retail establishment, including but not limited to motor fuel purchases, regardless of whether such prepared food is consumed on the premises of that retail establishment. For purposes of this section, "retail establishment" means each place of business for which any "dealer," as defined in § 58.1-612, is required to apply for and receive a certificate of registration pursuant to § 58.1-613.

2. As used in this section, "essential personal hygiene products" means (i) nondurable incontinence products such as diapers, disposable undergarments, pads, and bed sheets and (ii) menstrual cups and pads, pantyliners, sanitary napkins, tampons, and other products used to absorb or contain menstrual flow. "Essential personal hygiene products" does not include any item that is otherwise exempt pursuant to this chapter.

1999, cc. 366, 466;2002, c. 13;2003, c. 806;2004, Sp. Sess. I, c. 3;2005, cc. 487, 521;2019, cc. 549, 550;2022, Sp. Sess. I, cc. 2, 4, 5;2023, Sp. Sess. I, c. 1.

The chapters of the acts of assembly referenced in the historical citation at the end of this section(s) may not constitute a comprehensive list of such chapters and may exclude chapters whose provisions have expired.

§ 24.2-684. How referendum elections called and held, and the results ascertained and certified

Notwithstanding any other provision of any law or charter to the contrary, the provisions of this section shall govern all referenda.

No referendum shall be placed on the ballot unless specifically authorized by statute or by charter.

Whenever any question is to be submitted to the voters of any county, city, town, or other local subdivision, the referendum shall in every case be held pursuant to a court order as provided in this section. The court order calling a referendum shall state the question to appear on the ballot in plain English as that term is defined in § 24.2-687. The order shall be entered and the election held within a reasonable period of time subsequent to the receipt of the request for the referendum if the request is found to be in proper order. The court order shall set the date for the referendum in conformity with the requirements of § 24.2-682.

A copy of the court order calling a referendum shall be sent immediately to the State Board by the clerk of the court in which the order was issued.

The ballot shall be prepared by the appropriate general registrar and distributed to the appropriate precincts. On the day fixed for the referendum, the regular election officers shall open the polls and take the sense of the qualified voters of the county, city, town, or other local subdivision, as the case may be, on the question so submitted. The ballots for use at any such election shall be printed to state the question as follows:

"(Here state briefly the question submitted)

Yes

No"

The ballots shall be printed, marked, and counted and returns made and canvassed as in other elections. The results shall be certified by the secretary of the appropriate electoral board to the State Board, to the court ordering the election, and to such other authority as may be proper to accomplish the purpose of the election.

Code 1950, § 24-141; 1966, c. 115; 1970, c. 462, § 24.1-165; 1974, c. 428; 1975, c. 515; 1976, c. 616; 1978, cc. 258, 304; 1979, c. 37; 1980, c. 639; 1981, c. 367; 1982, cc. 498, 650; 1983, c. 461; 1991, c. 592; 1993, c. 641; 1994, c. 142; 1996, c. 297; 2016, cc. 18, 492.

The chapters of the acts of assembly referenced in the historical citation at the end of this section(s) may not constitute a comprehensive list of such chapters and may exclude chapters whose provisions have expired.

§ 58.1-606.1. Additional local use tax in certain localities; use of revenues for public transportation, or construction or renovation of schools.

A. 1. a. The governing body of a county or city not located in Planning District 8 may levy a use tax at the rate of such sales tax under subsection A 1 a of § 58.1-605.1 to provide revenue for capital projects for the construction or renovation of schools serving such county or city. Such tax shall be added to the rates of the state and local use tax imposed by this chapter and shall be subject to all the provisions of this chapter, and all amendments thereof, and the rules and regulations published with respect thereto, except that no discount under § 58.1-622 shall be allowed on a local use tax.

b. The governing body of a county or city located in Planning District 8 may levy a use tax at the rate of such sales tax under subsection B 1 a of § 58.1-605.1 to provide revenue for capital projects for the construction or renovation of schools or for public transportation purposes. Such tax shall be added to the rates of the state and local use tax imposed by this chapter and shall be subject to all the provisions of this chapter, and all amendments thereof, and the rules and regulations published with respect thereto, except that no discount under § 58.1-622 shall be allowed on a local use tax.

2. a. Any tax imposed pursuant to subsection A 1 a shall expire (i) if the capital projects for the construction or renovation of schools are to be financed by bonds or loans, on the date by which such bonds or loans shall be repaid or (ii) if the capital projects for the construction or renovation of schools are not to be financed by bonds or loans, on a date chosen by the governing body and specified in any resolution passed pursuant to the provisions of subsection B. Such expiration date shall not be more than 20 years after the date of the resolution passed pursuant to the provisions of subsection B.

b. Any tax imposed pursuant to subsection A 1 b shall expire for any county or city that does not comply with the provisions of § 33.2-3404.

B. The governing body of the county or city, if it elects to impose a local use tax under subsection A 1 a or subsection B 1 a may do so only if it has previously imposed the local sales tax authorized by subsection A 1 a or subsection B 1 a of § 58.1-605.1, by the adoption of an ordinance stating its purpose and referring to subsection A 1 a or subsection A 1 b and providing that the local

use tax shall become effective on the first day of a month at least 120 days after its adoption. Such ordinance for a tax imposed under subsection A 1 a shall state the date on which the use tax shall expire. A certified copy of such ordinance shall be forwarded to the Tax Commissioner so that it will be received within five days after its adoption.

C. Any local use tax levied under this section shall be administered and collected by the Tax Commissioner in the same manner and subject to the same exemptions and penalties as provided for the state use tax; however, the local use tax levied under this section shall not be levied on food purchased for human consumption or essential personal hygiene products, as such terms are defined in § 58.1-611.1.

D. The local use tax authorized by this section shall not apply to transactions to which the sales tax applies, the situs of which for state and local sales tax purposes is the county or city of location of each place of business of every dealer paying the tax to the Commonwealth without regard to the county or city of possible use by the purchasers. However, the local use tax authorized by this section shall apply to tangible personal property purchased outside the Commonwealth for use or consumption within the county or city imposing the local use tax, or stored within the county or city for use or consumption, where the property would have been subject to the sales tax if it had been purchased within the Commonwealth. The local use tax shall also apply to leases or rentals of tangible personal property where the place of business of the lessor is outside the Commonwealth and such leases or rentals are subject to the state tax. Moreover, the local use tax shall apply in all cases in which the state use tax applies.

E. Out-of-state dealers who hold certificates of registration to collect the use tax from their customers for remittance to the Commonwealth shall, to the extent reasonably practicable, in filing their monthly use tax returns with the Tax Commissioner, break down their shipments into the Commonwealth by counties and cities so as to show the county or city of destination. If, however, the out-of-state dealer is unable accurately to assign any shipment to a particular county or city, the local use tax on the tangible personal property involved shall be remitted to the Commonwealth by such dealer without attempting to assign the shipment to any county or city.

F. Local use tax revenue shall be deposited in the special fund established pursuant to subsection A 5 or subsection B 5 of § [58.1-605.1](#). The Comptroller shall distribute the revenue to the county or city.

G. 1. The revenues from the tax authorized by subsection A 1 a shall be used solely for capital projects for new construction or major renovation of schools serving the county or city, including bond and loan financing costs related to such construction or renovation.

2. The revenues from the tax authorized by subsection A 1 b shall be used solely for (i) capital projects for new construction or major renovation of schools serving each such county or city, including bond and loan financing costs related to such needs, or (ii) public transportation purposes serving each such county or city, including bond and loan financing costs related to such needs, or (iii) both capital projects for the new construction or renovation of schools serving each such county or city and public transportation purposes serving each such county or city. Appropriate uses of such revenues shall include bond and loan financing costs related to clauses (i), (ii), and (iii). Revenues from this tax shall not be used for repayment of existing indebtedness authorized by the county or city for public school capital projects that began or were completed prior to the imposition of such tax.

2019, c. [648](#);2020, cc. [327](#), [427](#), [428](#), [705](#), [708](#), [865](#);2026, Sp. Sess. I, c. [1](#).

The chapters of the acts of assembly referenced in the historical citation at the end of this section(s) may not constitute a comprehensive list of such chapters and may exclude chapters whose provisions have expired.

Summary of frequent topics/questions that have come up this week regarding the 1% sales tax referendum for schools

- The referendum does NOT obligate any borrowing by the county. The legislation and the referendum authorize this tax, but they do not provide any additional or new bonding authority. The locality would still need to go through the customary statutory vehicles to do a financing for school projects, either a general obligation bond through the Virginia Public School Authority, general obligation bond after a separate referendum or a lease revenue financing through the local EDA/IDA. These tax revenues provide an additional source of funding for debt service (in addition to normal property tax revenues), but they can't be specifically pledged to some new sort of bond issue.
- The statute has a clear sunset provision on the tax, which is 20 years after the date the county adopts the resolution requesting the referendum. It talks about limiting the term of the tax to the term of the bonds, but it separately says that the term can't go beyond 20 years regardless of the term of the bonds. We generally recommend setting the referendum question to the flat 20 year period. The primary source of confusion for folks is this discussion of the bond issue and the tax sunset.
- The term/duration of the tax does NOT restrict the term of any bonds issued to finance school projects. Most financings for school projects run 30 years. This can still be the case, but in financial modeling of tax revenues and debt service, conservative planning would suggest that debt service be structured assuming that the sales tax revenue will end in year 20 and other (property tax) revenues will have to cover the gap in the later years. I expect a future legislative fix will extend the life of this sales tax, but we don't know that for sure.
- The schools do not receive these funds directly. They are treated like any other sales tax revenue that would come from the state to the county – they go to the treasurer and sit in a designated fund. These funds can accumulate and be used for pay-go for school capital projects or to pay debt service on school bond issues. The schools can ask for verification of those funds and how they are being used, but the statute doesn't give the schools any authority to intercept that money somehow.
- The resolution only authorizes the referendum question; it does not authorize the tax. If the question passes, the board then has to adopt an ordinance imposing the tax. The statute provides that the tax cannot start being assessed until the first day of a month at least 120 days after the ordinance is adopted. Assuming an ordinance can be

adopted sometime in December after the election, the tax can be assessed starting May 1, 2027.

- Timing – in order to appear on the Nov. 3 ballot, the judge has to issue the order on the referendum question by August 14 – 81 days before the election. So the county would need to adopt a resolution and get the petition filed before August 14 and hopefully make sure a judge is available and understands the urgency of timing. Otherwise the question would need to go to special election (politically unpopular) or wait until the next general election cycle.
- No public hearing needed for the referendum resolution.



BOARD OF
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West District

DR. JESSICA LIGON
South District

A. CAMERON LENAHAN
North District

CANDICE W. MCGARRY
County Administrator

AMANDA B. SPIVEY
Administrative Assistant/
Deputy Clerk

GRACE E. MAWYER
Director of Finance and
Human Resources

RESOLUTION R2026-59
NELSON COUNTY BOARD OF SUPERVISORS
FY2026-2027 AMENDMENT OF SALARY AND CLASSIFICATION SYSTEM

BE IT RESOLVED by the Nelson County Board of Supervisors that the local government's "Salary and Classification System" is hereby amended to incorporate the following:

One of the two below options:

[] 1. A two percent (2%) salary adjustment shall be hereby authorized for Nelson County personnel (full-time and regular part-time) employed pursuant to the County's salary classification and pay plan, effective on August 1, 2026. Additionally, a three-point five percent (3.5%) salary adjustment shall be authorized for all regular part-time employees and all full-time employees, inclusive of the elected/appointed official, employed by a Constitutional Officer or in the Office of the Registrar. The three point five percent (3.5%) is inclusive of the 3.5% across-the-board percentage-based salary increases effective August 1, 2026 for all constitutional officers and their Compensation Board funded permanent staff positions and shall be calculated based upon the salary in effect on June 30, 2026 (Compensation Board and local supplement). The estimated net local cost of this option is \$2,406 above what was adopted and appropriated in the FY27 budget.

[] 2. A three-point five percent (3.5%) salary adjustment shall be hereby authorized for Nelson County personnel (full-time and regular part-time) employed pursuant to the County's salary classification and pay plan, effective on August 1, 2026. Additionally, a three-point five percent (3.5%) salary adjustment shall be authorized for all regular part-time employees and all full-time employees, inclusive of the elected/appointed official, employed by a Constitutional Officer or in the Office of the Registrar. The three point five percent (3.5%) is inclusive of the 3.5% across-the-board percentage-based salary increases effective August 1, 2026 for all constitutional officers and their Compensation Board funded permanent staff positions and shall be calculated based upon the salary in effect on June 30, 2026 (Compensation Board and local supplement). The estimated net local cost of this option is \$25,097 above what was adopted and appropriated in the FY27 budget.

Additionally, in order to endeavor to maintain competitive market rate salaries, as of August 1, 2026, the pay ranges of all positions within the pay and classification system shall be increased by 1.5% for FY27. Probationary employees as of August 1, 2026 that are at the minimum of their assigned pay range, shall be moved to the new minimum of their assigned pay range within the pay and classification system. Upon successful completion of their probationary period, these employees shall receive the remaining salary increase for FY27 in order to provide the total salary increase as approved from the options above.

Attachment: Fiscal Year 2026-2027 Salary Scale (Full Time & Part-Time)

Approved: _____

Attest: _____, Clerk
Nelson County Board of Supervisors

Salary and Classification System
County of Nelson FY27 - Proposed

Code	Class Title	Annual Salary		
		Min	Mid	Max
Unified				
103		\$33,314	\$41,642	\$49,973
124	Convenience Center Attendant Parks & Rec Scorekeeper/Timekeeper			
104		\$34,980	\$43,725	\$52,470
106	Animal Shelter Attendant			
119	Commissioner Deputy I			
127	Custodian			
138	Deputy Treasurer I			
105		\$36,730	\$45,911	\$55,093
	Recreation Assistant			
154	Office Assistant			
155	Parks & Rec Seasonal Site Leader			
162	Parks & Rec Field & Trail Maintenance Worker			
106		\$38,566	\$48,207	\$57,848
115	Circuit Court Deputy I			
120	Commissioner Deputy II			
139	Deputy Treasurer II			
174	Transfer Station Operator			
107		\$40,494	\$50,617	\$60,741
	Recreation After School Group Leader			
152	Maintenance Tech I			
164	Roll-off Vehicle Operator			
107.5		\$42,289	\$52,861	\$63,434
160	Public Safety Dispatcher			
108		\$42,518	\$53,148	\$63,779
	Recreation After School Site Director			
	Recreation After School Coordinator			
116	Circuit Court Deputy II			
121	Commissioner Deputy III			
109	Deputy Registrar			
171	Senior Transfer Station Operator			
109		\$44,644	\$55,807	\$66,967
	Sheriff's Evidence Tech			
	Administrative Assistant I/Permit Technician			
101	Administrative Assistant I			
112	Building Inspector			
179	Maintenance Tech II			
169	Senior Public Safety Dispatcher			
168	Solid Waste & Recycling Coordinator			
110		\$46,877	\$58,596	\$70,316
117	Circuit Court Deputy IV			
140	Deputy Treasurer IV			
146	Economic Development & Tourism Specialist			
150	Finance & HR Specialist			
157	Parks & Rec Specialist			
111		\$49,220	\$61,526	\$73,831
102	Administrative Assistant II			
104	Animal Control Officer			
136	Deputy Sheriff - Uncertified			
118	Judicial Assistant			
177	Victim Witness Advocate			

Code	Class Title	Annual Salary		
		Min	Mid	Max
Unified				
112		\$51,681	\$64,603	\$77,523
128	Deputy Sheriff - Certified			
129	Deputy Sheriff - Certified (K-9 Handler)			
130	Deputy Sheriff - Certified (SRO)			
131	Deputy Sheriff - (Facility Security)			
113		\$54,265	\$67,832	\$81,399
	Dispatch Supervisor			
107	Assistant Building Code Official			
132	Deputy Sheriff - Investigator			
178	Shelter Manager			
114		\$56,979	\$71,224	\$85,468
159	Planner			
115		\$59,827	\$74,785	\$89,742
103	Asst. to the County Administrator/Deputy Clerk			
151	Information Systems Specialist			
134	Sergeant			
116		\$62,819	\$78,523	\$94,230
	Assistant Director of Tourism & Economic Dev.			
180	Chief Deputy Registrar			
126	CSA Coordinator			
105	Director of Animal Control			
118		\$69,258	\$86,573	\$103,887
	Emergency vehicle upfitter/radio technician			
133	Lieutenant			
119		\$72,722	\$90,902	\$109,082
163	Registrar			
120		\$76,357	\$95,447	\$114,537
111	Building Code Official			
148	Director of Emergency Services			
144	Director of Parks & Recreation			
121		\$80,175	\$100,219	\$120,262
113	Captain			
173	Director of Public Works			
122		\$84,185	\$105,229	\$126,276
108	Assistant Commonwealth Attorney			
123		\$88,393	\$110,492	\$132,590
142	Director of Information Systems			
143	Director of Planning & Zoning			
145	Director of Tourism & Economic Development			
124		\$92,812	\$116,016	\$139,219
141	Director of Finance & Human Resources			
153	Major			
133		\$143,982	\$179,979	\$215,975
125	County Administrator			

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North DistrictCANDICE W. MCGARRY
County AdministratorAMANDA B. SPIVEY
Administrative Assistant/
Deputy ClerkGRACE E. MAWYER
Director of Finance and
Human Resources

ORDINANCE O2026-02
NELSON COUNTY BOARD OF SUPERVISORS
ORDINANCE PROVIDING FOR THE PAYMENT OF
BONUSES TO CERTAIN COUNTY EMPLOYEES

WHEREAS, pursuant to Virginia Code §15.2-1508, Bonuses for Employees of Local Governments, the County may provide for payment of monetary bonuses to its officers and employees; and

WHEREAS, the 2026 General Assembly has approved funding to support a 2% bonus for all Department of Social Services employees, constitutional officers, regional jail superintendents and their Compensation Board funded full-time permanent employees on June 1, 2026; and

WHEREAS, the 2% bonus is based on their current base salary provided that the governing authority of such employees use such funds to support the provision of a bonus for the stated employees; and

WHEREAS, during the County's FY27 budget work sessions, consideration for the greater of a 2% or a \$1,500 bonus was granted to all County Department full-time employees as well as a \$500 bonus for all regular part-time employees; and

WHEREAS, the Board of Supervisors, after duly advertising, held a Public Hearing on its proposed FY27 budget, which included funding for this purpose on May 12, 2026, and;

WHEREAS, the Board of Supervisors included the bonuses in its FY27 budget that was approved at the June 9, 2026 regular meeting;

NOW, THEREFORE, BE IT ORDAINED, the Nelson County Board of Supervisors hereby approves the above referenced bonuses to be paid to employees in all County Departments, to include Constitutional Offices, Registrar's Office, and the Department of Social Services.

BE IT FURTHER ORDAINED, that for employees to be eligible for the bonus, they must have been employed by the County on June 1, 2026 and still employed as of the Ordinance adoption date. The bonus will be based on the employee's status, whether full-time or part-time, as of June 1, 2026 and is anticipated to be paid with the July 31, 2026 regular payroll.

Adopted: _____

Attest: _____, Clerk

Nelson County Board of Supervisors



JEFFREY PALMORE
CHAIRMAN

ROBYN DE SOCIO
EXECUTIVE SECRETARY

STACI HENSHAW
KRISTIN COLLINS
EX-OFFICIO MEMBERS

COMMONWEALTH OF VIRGINIA

Compensation Board

P.O. Box 710
Richmond, Virginia 23218-0710

April 23, 2026

MEMORANDUM

TO: Constitutional Officers and Regional Jail Superintendents
City Managers and County Administrators

FROM: Robyn M. de Socio
Executive Secretary

SUBJECT: June 1, 2026 2% Bonus for Constitutional Officers and Employees

I am writing to provide information regarding a 2% salary bonus approved by the 2026 Session of the General Assembly for constitutional officers, regional jail superintendents, and their Compensation Board funded deputies and employees, as noted in prior communications regarding the budget introduced to the legislature for its 2026 session and action taken by the 2026 General Assembly to approve HB29 (the caboose bill, which contains amendments to the current Commonwealth budget for FY26). Note that implementation of the 2% salary bonus is not subject to continuing action by the 2026 Special Session of the General Assembly convening today on the Commonwealth budget for FY27 and FY28.

Salary bonus amounts of 2% of the Compensation Board salary amount on June 1, 2026 have been approved and represent one-time funding that will not become part of each office's base salary funding. We are providing a **projection** of total and reimbursable bonus amounts at this time. Please note that personnel changes between now and June 1 could impact these projections. Additionally, please note the following information regarding these one-time bonus payments of 2%:

1 – The calculation of the 2% bonus amount is based on the Compensation Board funded salary as of June 1, 2026.

2 – While the Appropriation Act provides for the salary bonus on June 1, 2026, the Compensation Board recognizes the need for flexibility in the date for the bonus to be paid by the locality or regional jail to the elected officers and employees, based upon varying pay cycles instituted across localities and the need for operational time to prepare for the bonus. If payment of the bonus in June, 2026 is not possible, the Compensation Board will allow for payment of the bonus on another day between June 1, 2026 and September 30, 2026, as fits with the locality's pay cycle and timelines for local approval. However, please note that the bonus may only be reimbursed by the Compensation Board for officers and employees that are in a Compensation Board funded position on June 1, 2026. Bonus payments made to any individual that is not in a Compensation Board funded position on June 1 will not be reimbursable. Reimbursements for the bonus payment will be processed with the payroll and expense report that corresponds with the month the bonus is paid.

3 – Reimbursement of the bonus will require a certification by the locality confirming payment of the bonus to the officers and employees; payment of a higher (supplemented) salary amount by the regional jail or locality is not sufficient to meet the requirement that a bonus is paid in order to receive the reimbursed bonus funds.

As the Compensation Board prepares for the closing of FY26 budgets and reimbursement of bonus amounts, there will be a very short window to identify and confirm bonus amounts that will be reimbursable. The Compensation Board will request each office to ensure **any personnel actions with an effective date of June 1, 2026, only are entered into the COIN personnel and reimbursement system during the week of June 1-4, 2026.** The Compensation Board will then provide notice of final reimbursable bonus funds at the beginning of the week of June 8, 2026, along with a certification form to be completed by the locality when seeking reimbursement for bonus funds paid. Local government certifications for any bonus payment costs incurred/paid in June 2026 will be due by the end of the same week, by **June 12, 2026.** Once certifications are received, reimbursement of the bonuses paid will be included in the June 2026 payroll and expense reimbursement in early July. Certifications for bonuses paid or planned for payment in June but not received by June 12, 2026 will be reimbursed with the July 2026 payroll and expense reimbursement in August.

Local government certifications for bonus costs incurred/paid in July through September, 2026 will be due by the 24th of the month in which the bonus is incurred/paid for reimbursement of the bonus to be included in that month's payroll and expense reimbursement.

Please refer to the attached spreadsheet showing the **projected** bonus amounts by position and office, for your information and planning purposes only; final spreadsheets will be provided at the beginning of the week of June 8, 2026. Note that the attached spreadsheet is a macro-enabled Excel file. **Please first open** the attached pdf document entitled "FY26 Instructions to Open 6-1-2026 Budget Estimate Spreadsheet File 4-2026" for detailed instructions on how to download and extract your office data from the macro-enabled Excel file, as many computers will block macro files. If you still cannot extract your data after following these instructions, or the macro-enabled Excel file is missing, please contact the Compensation Board staff noted at the end of this letter for assistance.

After you have extracted and opened the bonus estimate spreadsheet for your office, please open the attached pdf document entitled "Instructions to Complete Review of Bonus Estimate 4-2026" for further information and instructions regarding the bonus and eligibility of officers and deputies/employees.

Please review all provided information carefully, and if you have any questions, please contact a member of the Compensation Board staff below.

Officer	Fiscal Services Analysts	Email Address	Telephone
Sheriffs and Regional Jails	Brian Bennett Donna Foster	brian.bennett@scb.virginia.gov donna.foster@scb.virginia.gov	804-225-3443 804-225-3435
Commonwealth's Attorneys, Treasurers and Finance Directors	Nadia Elasha	Nadia.elasha@scb.virginia.gov	804-225-3479
Commissioners of the Revenue	Joan Bailey	joan.bailey@scb.virginia.gov	804-225-3351
Circuit Court Clerks	Paige Christy	paige.christy@scb.virginia.gov	804-225-3442
All Officers or Gov Bodies	Bill Fussell, Customer Service Supervisor	william.fussell@scb.virginia.gov	804-225-3321
	Charlotte Lee, Budget & Finance Manager	charlotte.lee@scb.virginia.gov	804-225-3366
	Robyn de Socio, Executive Secretary	robyn.desocio@scb.virginia.gov	804-225-3439

Code of Virginia

Title 15.2. Counties, Cities and Towns

Subtitle II. Powers of Local Government

Chapter 15. Local Government Personnel, Qualification for Office, Bonds, Dual Office Holding and Certain Local Government Officers

Article 1. General Provisions for Certain Officers and Employees

§ 15.2-1508. Bonuses for employees of local governments

Notwithstanding any contrary provision of law, general or special, the governing body of any locality may provide for payment of monetary bonuses to its officers and employees. The payment of a bonus shall be authorized by ordinance.

1985, c. 142, § 15.1-7.4; 1997, c. 587; 2003, c. [204](#).

The chapters of the acts of assembly referenced in the historical citation at the end of this section(s) may not constitute a comprehensive list of such chapters and may exclude chapters whose provisions have expired.



BOARD OF
SUPERVISORS

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Central District

JESSE N. RUTHERFORD
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West District

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County Administrator

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Administrative Assistant/
Deputy Clerk

GRACE E. MAWYER
Director of Finance and
Human Resources

**RESOLUTION R2026-60
NELSON COUNTY BOARD OF SUPERVISORS
APPROVAL OF ELECTRICAL ENGINEERING ASSESSMENT AND
REMEDATION PROPOSAL FROM EMN CONSTRUCTION**

WHEREAS, Nelson County is in the process of the Fire/EMS Stations Generator Replacement Project (IFB25-#GENREP02), and during the installation of the replacement standby generators and automatic transfer switches, pre-existing electrical infrastructure deficiencies were identified at multiple sites that are preventing final inspection approval; and,

WHEREAS, EMN Construction has provided a proposal to conduct electrical engineering assessments and create remediation plans for each of the seven (7) affected sites:

- Lovington Volunteer Fire Department – 53 Baker Ln, Lovington, VA
- Piney River Volunteer Fire Department – 249 Fire House Rd, Piney River, VA
- Faber Volunteer Fire Department – 8301 Irish Rd, Faber, VA
- Rockfish Valley Volunteer Fire Department – 11100 Rockfish Valley Hwy, Afton, VA
- Montebello Volunteer Fire Department – 119 Fork Mountain Ln, Montebello, VA
- Roseland Rescue Squad – 7745 Patrick Henry Hwy, Roseland, VA
- Nelson EMS – 8047 Thomas Nelson Hwy, Lovington, VA

BE IT HEREBY RESOLVED, that the Nelson County Board of Supervisors hereby accepts and approves the proposal from EMN Construction in the amount \$19,600.00 as detailed in the Scope of Work attached herewith, which includes electrical engineering services, licensed Professional Engineer oversight, stamped drawings and associated documentation for the seven (7) Nelson County Fire/EMS stations as described herein.

BE IT FURTHER RESOLVED, that The County Administrator and staff are authorized to execute any documents related to the acceptance of this proposal and any negotiations related to the FEMA grant scope and award.

Adopted: _____

Attest: _____, Clerk
Nelson County Board of Supervisors



Electrical Engineering Assessment & Remediation

Nelson County Fire/EMS Generator Replacement Project (IFB25-#GENREP02)

Issued: June 18, 2026

1. Background & Purpose

This scope of work covers electrical engineering assessment and remediation services required at the Nelson County fire/EMS stations as part of the generator replacement project (IFB25-#GENREP02). During installation of replacement standby generators and automatic transfer switches (ATS), pre-existing electrical infrastructure deficiencies were identified at multiple sites that are preventing final inspection approval.

This engineering scope was developed in coordination with Nelson County and the code inspection authority following a project meeting. The intent is to document existing conditions, identify required remediation, and support a path to final project closeout.

2. Applicable Sites

The following seven (7) fire/EMS stations are included in this scope:

- Lovington Volunteer Fire Department – 53 Baker Ln, Lovington, VA
- Piney River Volunteer Fire Department – 249 Fire House Rd, Piney River, VA
- Faber Volunteer Fire Department – 8301 Irish Rd, Faber, VA
- Rockfish Valley Volunteer Fire Department – 11100 Rockfish Valley Hwy, Afton, VA
- Montebello Volunteer Fire Department – 119 Fork Mountain Ln, Montebello, VA
- Roseland Rescue Squad – 7745 Patrick Henry Hwy, Roseland, VA
- Nelson EMS – 8047 Thomas Nelson Hwy, Lovington, VA

3. Scope of Engineering Services

The following services shall be performed at each applicable site unless otherwise noted. All deliverables shall be produced by or under the supervision of a licensed Virginia Professional Engineer and stamped accordingly.

3.1 One-Line Diagram – As-Built and Recommended Construction

The engineer shall develop a complete electrical one-line diagram for each site documenting:

- Existing as-built conditions
- Recommended construction showing proposed changes required to achieve code compliance and full functionality
- Load shedding capabilities shall be clearly indicated on the one-line diagram, identifying which loads are shed and the sequence of shedding

3.2 Conductor Sizing Evaluation

The engineer shall evaluate all distribution feeders within the scope of the electrical system and:



- Document existing feeder conductor sizes for all circuits
- Identify any conductors that are undersized relative to connected loads, overcurrent protection, or applicable NEC requirements
- Provide recommendations and specifications for any conductors requiring upsizing

3.3 Overcurrent Device and Switch Ratings Inventory

The engineer shall perform a complete inventory of all main overcurrent protective devices and switching apparatus in the electrical distribution system, including the utility service entrance, main disconnect, ATS, generator output protection, and main panel breakers.

- Document ratings for all breakers, fuses, disconnect switches, and transfer switches
- Verify ratings are appropriate for connected loads and conductor sizes

3.4 Short-Circuit and Available Fault Current Analysis

The engineer shall determine the available fault current at each of the following points in the electrical distribution system at each site:

- Utility service equipment
- Automatic transfer switch
- Each distribution panel

The engineer shall verify that the interrupting ratings (AIC ratings) of all breakers, fuses, and switching equipment are adequate for the available fault current at their point of application.

3.5 Selective Coordination Review

These facilities serve mission-critical life-safety functions including fire and EMS operations, dispatch, and emergency communications, and several sites serve as community shelter-in-place facilities. The engineer shall evaluate breaker and fuse coordination to determine whether upstream and downstream overcurrent protective devices operate in a coordinated manner during fault conditions, ensuring that a fault on one circuit does not unnecessarily interrupt power to other critical loads.

3.6 Utility Service Capacity Review

The engineer shall verify utility service capacity and service equipment ratings relative to connected and calculated loads at each site. Confirmation that the existing utility service size and service equipment ratings are adequate shall be documented regardless of which remediation level the County elects to pursue.

3.7 Transfer Switch Evaluation

The engineer shall verify transfer switch ratings, transfer mode, withstand ratings, control settings, and operational compatibility with the connected generator system at each site. This evaluation shall confirm that the ATS is correctly configured for the facility's load profile and generator output characteristics and shall identify any settings or compatibility issues that could affect reliable operation during a utility outage.

3.8 Load Calculations

The engineer shall perform comprehensive load calculations for each site including:

- Connected load: document actual connected load versus calculated demand load per NEC Article 220



- Real-time conditions: field measurement of actual current draw using ammeter to document live operating conditions
- Generator capacity utilization: calculate and document what percentage of each generator's rated capacity will be consumed during a utility outage based on connected emergency loads
- Available capacity: identify how much additional load capacity remains on each generator and specify what additional loads could be added within the available capacity

3.9 Load Shedding Logic Narrative

Where load shedding is employed or recommended at any level, the engineer shall provide a written load management narrative describing the complete load shedding sequence and operational priorities for that facility. The narrative shall identify:

- What loads shed first and in what sequence
- What loads never shed under any condition
- What loads automatically reconnect and under what conditions
- What loads remain operational during a utility outage at each stage of shedding

3.10 Generator Runtime Analysis

For each generator, the engineer shall calculate and document estimated runtime at the following load levels, based on manufacturer propane fuel consumptions data and the actual installed tank capacity at each site:

- 25% of rated load
- 50% of rated load
- 100% of rated load

3.11 Grounding System Verification

The engineer shall evaluate the grounding and bonding infrastructure at each site to verify code compliance and operational integrity of the grounding system as it relates to the installed generator and transfer switch equipment. The evaluation shall include:

- Grounding Electrode Verification: Verify existing grounding electrode type, verify grounding electrodes are properly installed, and verify that grounding electrode conductors are correctly sized, connected, and continuous.
- Neutral-to-Ground Bonding Point Verification: Verify that the neutral conductor and grounding conductors are bonded only at the first means of disconnect (service entrance or separately derived system), and that no improper neutral-to-ground bonds exist downstream of that point. Identify and document any instances of improper bonding that must be corrected.
- Service Neutral Evaluation for Whole-Building Backup: At sites where the generator is configured or intended to back up the entire building, the engineer shall evaluate how the service neutral is addressed in the context of the transfer switching scheme, including whether the generator constitutes a separately derived system and how the neutral switching and bonding must be configured to comply with NEC requirements and ensure safe operation.



- **Bonding Continuity Verification:** Verify bonding continuity throughout the electrical system, including equipment grounding conductors, metallic enclosures, conduit systems, and all bonding jumpers, to confirm a low-impedance fault current return path is maintained.

3.12 Code Compliance and Functional Assessment – Three-Level Framework

The engineer shall assess each site against a three-level framework and provide written findings and recommendations for each level. This assessment provides a tiered action plan for the County to prioritize and authorize remediation work. The three levels are defined as follows:

- Level I represents the minimum scope of work required to achieve code compliance and pass final inspection. All Level I items must be corrected before the project can receive final approval.
- Level II represents strongly recommended improvements beyond minimum code compliance. These items are necessary to achieve full operational functionality and reliability at a life-safety facility and should be completed in conjunction with or immediately following Level I work.
- Level III represents additional improvements recommended as part of the County's next capital planning cycle. While not immediately required for inspection approval or basic functionality, these items address aging infrastructure, long-term reliability risks, and system modernization at facilities that serve a critical public safety mission. Level III work should be treated as a near-term capital priority, not deferred indefinitely.

Level I – Code Compliance (Minimum Required Corrections)

Identify all existing conditions that do not meet current applicable code requirements, including but not limited to:

- Double-lug or improper terminations in panels
- ATS mounting heights exceeding code-allowable limits
- Conductor sizing violations
- Clearance and working space deficiencies
- Equipment underrated for the available fault current

Level I items represent the minimum scope of remediation required to pass final inspection and achieve code compliance.

Level II – Full Functionality

Identify changes beyond minimum code compliance that are necessary to achieve full, reliable operational functionality of the electrical system, including:

- Consolidation recommendations: evaluate whether the number of existing panels should be reduced and provide a recommendation.
- Essential loads panel: identify all loads that must be on an emergency/essentials panel during a generator outage. If space constraints limit the installation to a single essentials panel, identify priority loads that must be included.
- Critical load migration: if retaining multiple panels, identify any critical loads currently on non-essential panels that should be relocated.

Level II items represent the recommended scope to achieve a fully functional and operationally reliable facility.

Level III – Reliability Enhancements



Identify additional improvements that would further elevate the long-term reliability and resilience of the electrical system, including:

- Panel upgrades and replacements
- Infrastructure modernization recommendations
- Any other improvements that reduce operational risk or extend system service life

Level III items are discretionary improvements for County consideration and future capital planning.

3.13 Generator Sizing Verification – Faber and Rockfish Valley

For the Faber Volunteer Fire Department and Rockfish Valley Volunteer Fire Department specifically, the engineer shall:

- Perform a detailed load analysis to verify whether the installed 80 kW generators are adequately sized for the connected and anticipated loads at each facility
- Document findings with supporting load calculations
- Provide a written recommendation regarding whether the current generator sizing is sufficient or whether resizing should be considered

3.14 FEMA Technical Support Documentation

The engineer shall provide technical support documentation for a letter to FEMA requesting additional grant funding to cover the remediation scope identified in this assessment. The letter shall address:

- The criticality of each facility as a life-safety and community shelter resource
- The nature of unforeseen conditions discovered during generator installation that were not identifiable prior to bid
- The public risk posed by the identified code deficiencies and aging infrastructure
- A summary of the remediation scope and associated cost estimate supporting the funding request

4. Deliverables

All engineering services described in Section 3 shall be compiled into a single, site-specific report for each of the seven (7) facilities included in this scope. Each report will contain all informational data collected and analyzed for that site. Deliverables are as follows:

1. Each site will receive a report that contains the following (PDF):
 - a. Stamped as-built one-line diagram
 - b. Stamped recommended construction one-line diagram with load shedding indicated
 - c. Short-circuit and available fault current analysis report with equipment AIC rating verification
 - d. Selective coordination study with findings and recommendations
 - e. Utility service capacity verification
 - f. Transfer switch evaluation
 - g. Conductor sizing evaluation report with upsizing recommendations
 - h. Labeled, overcurrent device and switch ratings schedule



- i. Load calculation report (connected load, demand load, real-time ammeter data, generator utilization percentage, available capacity)
 - j. Generator runtime analysis (25% / 50% / 100% load) with site-specific propane tank capacity and usable capacity calculation
 - k. Load shedding logic narrative (required where load shedding is employed or recommended)
 - l. Three-level compliance and functionality assessment (Level I / II / III) with prioritized recommendations
 - m. Existing panel schedule for each panel in scope
 - i. Existing circuit identifications will be verified where possible. Circuits with inaccurate, missing, or unclear labeling may require breaker cycling, amperage measurements, and field investigation. Circuits determined to be inactive will be labeled as spare.
2. Generator sizing verification report for Faber and Rockfish (PDF)
 3. Technical documentation supporting additional FEMA funding letter (PDF)

5. Notes and Clarifications

- All engineering work shall comply with the current edition of the National Electrical Code (NEC) as adopted in Virginia, and all applicable Virginia state and local codes and regulations.
- Field surveys shall be coordinated with each facility to minimize disruption to emergency operations.
- This scope is intended to support change order pricing for remediation work. Engineering findings will form the basis of individual change orders by site and by level.
- The County retains the right to authorize remediation work by level (Level I, II, or III) independently at each site.

6. Pricing

In accordance with the attached Scope of Work, we propose to furnish all electrical engineering services, licensed PE oversight, stamped drawings, and associated documentation for the seven (7) Nelson County fire/EMS stations as described herein.

Lump Sum Price: **\$19,600.00**

This price does not include any physical remediation or construction work. Any remediation scope identified through this engineering assessment will be quoted separately as individual change orders by site and by level. This proposal is valid for thirty (30) days from the date of issuance.



ENGINEERING ASSESSMENT SAMPLE DELIVERABLE

Nelson County Volunteer Fire Department

Address

Nelson County IFB25-#GENREP02 | Generator Replacement Project

Report Date: June 2026

Prepared by
EMN Construction
Electrical Contractor

PE of Record
Austin Burrow, PE
VA License #XXXXXX



1. Equipment Registry

Generator	
Manufacturer	
Model number	
Serial number	
kW rating	
Fuel type	
Installation date	
Pad / location ID	

Automatic Transfer Switch	
Manufacturer	
Model number	
Serial number	
Amperage rating	
Voltage rating	
Installation date	
Location in facility	

2. Site Summary & Key Metrics

The following metrics reflect field-verified conditions at Nelson County Volunteer Fire Department as documented during the engineering site survey conducted June 4, 2026.

Generator installed 22 kW	Connected load 16.2 kW	Generator utilization 74 %	Available headroom 5.8 kW	Code violations found 4 items
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A general summary of the onsite review and associated high-level findings will be provided in this section. Pictures will be provided, where applicable, to document as-found issues.



3. Electrical One-Line Diagram – As-Built Conditions

The one-line diagram documents the as-built electrical system as field-verified during the site survey. Violation markers reference findings in Section 8.

[ONE-LINE DIAGRAM — ATTACHED AS SEPARATE STAMPED DRAWING]

200A Utility Service → Main Disconnect (200A/240V) → ATS → A Panel / B Panel

Generator feed: 22kW Generac → ATS

- ⚠ Marker A: ATS mounting height violation (Finding L1-1)
- ⚠ Marker B: Double-lug terminations, Panel A (Finding L1-2)
- ⚠ Marker C: Panel A circuit directory incomplete (Finding L1-3)
- ⚠ Marker D: ATS to Panel B feeder undersized (Finding L1-4)

NOTE: Stamped drawing with full conductor sizes, device ratings, and load shedding notation provided separately with actual report.

4. Load Calculations

Load calculations were performed in accordance with NEC Article 220. Field measurements were taken using a calibrated Fluke 376 FC clamp ammeter under normal daytime operating conditions on June 4, 2026.

4.1 Circuit Load Schedule

Circuit / Load Description	Panel	Breaker	Voltage	Calculated Demand	Ammeter (A)	Actual Load (kW)	On Generator?
Interior Lighting	A	20A	120 V	0.7 kW	4.8 A	0.6 kW	Yes
Receptacles	A	20A	120 V	0.8 kW	3.2 A	0.4 kW	Yes
Exterior Lighting	A	20A	120 V	0.5 kW	2.6 A	0.3 kW	Yes
HVAC – Unit 1	B	40A	240 V	4.8 kW	18.4 A	4.4 kW	Yes
HVAC – Unit 2	B	40A	240 V	4.8 kW	16.9 A	4.1 kW	Yes
Bay Door Operators (x2)	B	20A	240 V	1.6 kW	6.1 A	1.5 kW	Yes
Radio / Comms Equipment	A	20A	120 V	0.4 kW	3.4 A	0.4 kW	Yes
Water Heater	B	30A	240 V	4.5 kW	18.8 A	4.5 kW	Yes
TOTAL				18.1 kW		16.2 kW	

4.2 Generator Capacity Utilization Summary

Parameter	Value	Notes
Generator rated capacity	22 kW	Generac RG02224ANAX
Total connected load (outage conditions)	16.2 kW	Field-verified ammeter reading
Generator utilization at outage	74%	Within acceptable operating range



Parameter	Value	Notes
Additional Capacity	5.8 kW	See Section 7 for capacity analysis

5. Generator Runtime Analysis

Runtime estimates are based on manufacturer propane consumption data and assume 100% of tank capacity. Usable capacity is approximately 60% of rated tank size due to standard fill limits (80%) and minimum operating level (20%). A refueling plan and tank monitoring protocol are strongly recommended for any anticipated outage. Tank size will be verified at each site and runtimes recalculated accordingly.

Load level	Generator output (kW)	Fuel consumption (gal/hr)	Est. runtime (hrs)	Assessment
25% load	5.5 kW	1.9	68 hrs	Excellent
50% load	11.0 kW	3.2	41 hrs	Good
Current outage load (74%)	16.2 kW	5.1	25 hrs	Plan for refuel
100% load	22.0 kW	7.0	19 hrs	Monitor closely

6. Feeder Conductor Sizing Evaluation

The following table documents existing feeder conductor sizes for all distribution feeders at this facility. Individual branch circuit conductors within panels are not included in this evaluation. Conductors are assessed against their overcurrent protection rating and connected load per NEC Article 310. Any feeder found to be undersized constitutes a code violation and is reported as a Level I finding in Section 8.

Feeder Description	From	To	OC PD Rating	Wire Gauge (Existing)	Min. Required Gauge	Status
Main service feeder	Utility meter	Main disconnect	200A	#2/0 AWG	#2/0 AWG	OK
Main disconnect to ATS	Main disconnect	ATS	200A	#2/0 AWG	#2/0 AWG	OK
ATS to Panel A	ATS	Panel A	100A	#4 AWG	#4 AWG	OK
ATS to Panel B	ATS	Panel B	100A	#6 AWG	#4 AWG	UPSIZE REQUIRED
Generator output feeder	Generator	ATS	60A	#6 AWG	#6 AWG	OK

7. Overcurrent Device & Switch Ratings Inventory

This section documents the ratings of all main overcurrent protective devices and switching apparatus in the electrical distribution system, including the utility service entrance, main disconnect, ATS, generator output protection, and main panel breakers. Individual branch circuit breakers within distribution panels are not included. Ratings are verified against equipment nameplates and compared to system requirements.



Device / Component	Location	Device Type	Voltage Rating	Current Rating	Interrupt Rating	Condition	Status
Utility service entrance	Exterior — south wall	200A meter base	240V	200A	N/A	Good	OK
Main service disconnect	Electrical room	200A fusible disconnect	240V	200A	10 kAIC	Good	OK
ATS – utility side	Electrical room	200A transfer switch	240V	200A	22 kAIC	New — installed 2026	OK
ATS – generator side	Electrical room	200A transfer switch	240V	200A	22 kAIC	New — installed 2026	OK
Generator output breaker	Generator enclosure	60A molded case CB	240V	60A	10 kAIC	Good	OK
Panel A – main breaker	Electrical room	100A molded case CB	240V	100A	10 kAIC	Poor – see notes	REPAIR REQUIRED
Panel B – main breaker	Electrical room	100A molded case CB	240V	100A	10 kAIC	Good	OK

Panel A main breaker is of unknown manufacture and age. Several breakers in Panel A were found to be extremely loose within the panel enclosure and could be dislodged with minimal physical disturbance. This condition elevates Panel A to a Level II priority.

8. Grounding System Evaluation

The grounding system was evaluated in accordance with NEC Article 250 standards. Field inspection included visual assessment of grounding electrode conductors, bonding connections, electrode installations, and generator-specific grounding requirements. Findings will be documented in this section to include word summaries, photos, and data tables, as appropriate.

9. Code Compliance & Functional Assessment

All findings from the engineering site survey are presented below, organized by level. Cost estimates are for budgeting purposes and are based on typical regional labor and material rates. Final costs will be confirmed through formal change order pricing. Any findings that constitute NEC Article 250 code violations are Level I items and must be corrected prior to final inspection approval. Recommended enhancements are reported as Level II or Level III as appropriate.

Level I — Code Compliance (Required Corrections)

Level I findings are active violations of the NEC or other applicable codes and standards. These items represent conditions that are non-compliant as installed and must be corrected before the project can receive final inspection approval. All Level I items will be presented to the County as required scope additions, priced through the formal change order process.

LI-1	<p>ATS mounting height exceeds NEC 404.8(A) maximum</p> <p><i>ATS (RXSW200A3) is mounted at 82" to top of enclosure. NEC 404.8(A) requires operating handles to be no higher than 79" above the floor. Correction requires lowering the ATS, extending conductors, and rerouting conduit. See violation marker A on one-line diagram.</i></p> <p><i>[INSERT PICTURE TO SHOW SITE CONDITIONS]</i></p>
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Estimated cost: \$XXXX.XX

LI-2 Double-lug terminations in Panel A — NEC 408.41 violation
Three (3) breaker positions in Panel A have multiple conductors sharing a single terminal. NEC 110.14 prohibits this unless the device is listed for multiple conductors. Correction requires installation of tandem breakers or a sub-panel to provide dedicated terminals. See violation marker B on one-line diagram.

[INSERT PICTURE TO SHOW SITE CONDITIONS]

Estimated cost: \$XXXX.XX

LI-3 Panel A circuit directory incomplete — NEC 408.4(A) violation
Six (6) of sixteen (16) circuits in Panel A are unlabeled. NEC 408.4(A) requires every circuit to be legibly identified as to its purpose or use. Field verification and labeling of all circuits required prior to final inspection. See violation marker C on one-line diagram.

[INSERT PICTURE TO SHOW SITE CONDITIONS]

Estimated cost: \$XXXX.XX

LI-4 ATS to Panel B feeder undersized — NEC 310.12 violation (see Section 6)
The feeder from the ATS to Panel B is #6 AWG with 100A overcurrent protection. NEC 310.12 requires a minimum of #4 AWG for a 100A circuit. The existing conductor is undersized relative to its overcurrent protective device (OCPD) rating, creating a condition where the conductor may be subjected to current levels beyond its ampacity before the OCPD trips. Full feeder replacement is required. See violation marker D on one-line diagram and feeder sizing table in Section 6.

[INSERT PICTURE TO SHOW SITE CONDITIONS]

Estimated cost: \$XXXX.XX

<p>Level I total estimated cost range <i>All items required for final inspection approval</i></p>	<p>\$XXXX.XX</p>
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Level II — Full Functionality (Recommended)

Level II findings are not code violations, but they represent conditions that meaningfully limit the system's ability to perform its intended function reliably during an emergency. These items are strongly recommended for correction. Level II items are presented to the County as recommended scope additions.

LII-1 Panel A — loose breakers present active operational hazard
During the site survey, several breakers in Panel A were found to be extremely loose within the panel enclosure and could be dislodged with minimal physical disturbance. Breakers in this condition cannot be relied upon to maintain consistent bus contact and may fail to trip under fault conditions. At a life-safety facility operating on standby generator power during an emergency, this represents a serious risk of electrical fault, equipment damage, and potential fire. Full panel replacement is strongly recommended and should be prioritized. See also Finding L3-1.



	[INSERT PICTURE TO SHOW SITE CONDITIONS]
	Estimated cost: \$XXXX.XX

LII-2	<p>Panel consolidation — reduce to single essential loads panel</p> <p>Both panels are currently backed by the generator, so generator coverage is complete. However, maintaining two separate distribution panels increases system complexity and the number of potential failure points. Consolidation to a single essential loads panel would simplify load management, reduce maintenance burden, and eliminate one transfer path. Priority loads for consolidated panel: interior lighting, comms/radio, bay door operators, HVAC unit 1, water heater. Available generator headroom (5.8 kW) is sufficient to support all priority loads on one panel.</p> <p>[INSERT PICTURE TO SHOW SITE CONDITIONS]</p> <p>Estimated cost: \$XXXX.XX</p>
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<p>Level II total estimated cost range Recommended for full operational functionality</p>	\$XXXX.XX
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Level III — Reliability Enhancements

Level III findings identify conditions that, while neither code violations nor functional failures, represent opportunities to meaningfully improve the long-term reliability, serviceability, or resilience of the standby power system. These items typically address aging equipment, known industry failure patterns, or system configurations that carry elevated risk over time. They are presented for awareness and consideration, and are documented so the County can make an informed decision about whether to include within this project through the change order process, or as a separately planned capital improvement project.

LIII-1	<p>Panel A — Federal Pacific Stab-Lok panel replacement recommended</p> <p>Panel A is a Federal Pacific Stab-Lok model with a well-documented history of breakers failing to trip under fault conditions, creating fire and equipment damage risk. This concern is compounded by the loose breaker condition identified in Finding L2-1 — taken together, the panel is both a known problematic model and is currently in a physically degraded state. The Panel A main breaker interrupt rating could not be verified from the nameplate. Full panel replacement is strongly recommended and would resolve both L2-1 and L3-1 in a single scope item. Recommend inclusion in FEMA funding request narrative as an unforeseen hazardous condition discovered during installation at a life-safety facility.</p> <p>[INSERT PICTURE TO SHOW SITE CONDITIONS]</p> <p>Estimated cost: \$XXXX.XX</p>
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<p>Level III total estimated cost range Discretionary — improves long-term reliability</p>	\$XXXX.XX
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<p>Total estimated cost — all levels (L1 + L2 + L3) Final costs confirmed through formal change order process</p>	\$XXXX.XX
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Professional Engineer Certification

I hereby certify that this report was prepared by me or under my direct supervision and that I am a duly licensed Professional Engineer under the laws of the Commonwealth of Virginia. All drawings attached to this report bear my original PE stamp and wet signature.

Engineer of record: Austin Burrow, PE | VA License #XXXXXX

Signature: _____ Date: _____

[PE STAMP]

Original stamp affixed to stamped drawings

— END OF REPORT — THIS IS A SAMPLE DELIVERABLE FOR COUNTY REVIEW —



BOARD OF SUPERVISORS

ERNIE Q. REED
Central District

JESSE N. RUTHERFORD
East District

J. DAVID PARR
West District

DR. JESSICA LIGON
South District

A. CAMERON LENAHAAN
North District

CANDICE W. MCGARRY
County Administrator

AMANDA B. SPIVEY
Administrative Assistant/
Deputy Clerk

GRACE E. MAWYER
Director of Finance and
Human Resources

**RESOLUTION R2026-61
NELSON COUNTY BOARD OF SUPERVISORS
AUTHORIZATION TO RENEW CONTRACT FOR FINANCIAL ADVISORY SERVICES**

WHEREAS, on March 9, 2021 Nelson County retained Richmond, VA base Davenport and Company, LLC (Davenport) through term contract to provide financial advisory services to Nelson County pursuant to the cooperative procurement provisions of a contract Davenport has with Dinwiddie County, VA; and,

WHEREAS, Davenport has provided financial advisory services to Nelson County on a recurring basis and the company’s services have been effective in assisting the County to undertake and complete capital improvement projects through well-conceived financial analysis and planning; and,

WHEREAS, prior to proceeding with the Larkin property financing, the agreement with Davenport for financial advisory services needs to be renewed; and,

WHEREAS, Staff is again proposing to utilize Cooperative Procurement based upon Dinwiddie County’s cooperative procurement contract with Davenport effective August 22, 2025 and therefore recommends renewing this agreement with Davenport on an as needed hourly basis, as was the case in the previous contract that was effective March 9, 2021.

NOW, THEREFORE, BE IT RESOLVED, by the Nelson County Board of Supervisors that the County Administrator be and hereby is authorized to retain via contract Davenport and Company, LLC for provision of financial advisory services to Nelson County.

Approved: _____

Attest: _____, Clerk
Nelson County Board of Supervisors

To: Ms. Candy McGarry, Nelson County, Virginia (the “County”)
From: Davenport & Company LLC (“Davenport”)
Date: _____, 2026
Subject: Financial Advisory Agreement

BACKGROUND

Following up on our recent discussions related to our Financial Advisory Agreement (the “Agreement”), the County is planning to contract with Davenport utilizing Dinwiddie County, Virginia’s cooperative procurement RFP process. As such, the related Contract (dated August 22, 2025, included in this file) between Davenport & Company LLC and Dinwiddie County, Virginia (the “Cooperative Procurement Contract”) will serve as a basis for the Agreement between the County and Davenport. At the County’s discretion, Financial Advisory services can be requested under this Agreement.

COMPENSATION AND EXPENSES

The basis of compensation and expenses for any scope of work performed for the County are provided for within the Cooperative Procurement Contract. The Cooperative Procurement Contract allows for the County to select between two (2) options for the basis of compensation for Capital Planning (Non-Transaction Related) Services. Please select one below.

Option 1 (Hourly Fees)

Option 2 (Annual Retainer)

Davenport proposes no changes to the basis of compensation and expenses included in the Cooperative Procurement Contract.

NOTICES

For purposes of notices under this Agreement, notice to the County shall be made to the County at the address below, unless otherwise set forth in writing by the County:

Ms. Candy McGarry, County Administrator
Nelson County, Virginia
84 Courthouse Square
Lovingson, VA 22949
(434) 263-7001
cmcgarry@nelsoncounty.org

INCORPORATION BY REFERENCE

Except as otherwise set forth above and that any references to Dinwiddie County, Virginia shall refer to Nelson County, Virginia, the terms of the Cooperative Procurement Agreement, including any attachments thereto, are incorporated herein by reference.

ACKNOWLEDGEMENT

The County and Davenport acknowledge and mutually agree to the terms outlined in this Agreement and the Cooperative Procurement Contract.

Davenport & Company LLC

Nelson County, Virginia



Signature

Signature

Roland M. Kooch, Jr.

Printed Name

Printed Name

Senior Vice President

Title

Title

6/16/2026

Date

Date

ATTACHMENT

Cooperative Procurement Contract between Davenport & Company LLC and Dinwiddie County, Virginia.

CONTRACT

DINWIDDIE COUNTY
FINANCIAL ADVISOR

The Agreement is made this August 22, 2025, by and between **Davenport & Company LLC**, of 901 East Cary Street, Suite 1100, Richmond, VA 23219 (party of the first part, and hereinafter known as “Contractor”), and the **County of Dinwiddie, Virginia** (party of the second part, and hereinafter known as “County”).

WHEREAS, pursuant to the Virginia Public Procurement Act, County solicited proposals to provide financial advisory services for Dinwiddie County; and

WHEREAS, Contractor submitted a proposal for same, consistent with the specifications in the Request for Proposals; and

WHEREAS, Contractor was selected as having the best proposal; and

WHEREAS, County has selected Contractor to provide services;

NOW THEREFORE, in consideration of the mutual benefits, promises, and undertakings, the sufficiency and receipt of which are acknowledged, the following terms and conditions are agreed to by the parties to this Contract:

1. **Incorporation by Reference.** The following are made a part hereof as if the same were fully set forth herein, and if any discrepancies arise between the documents, they will prevail in the following order: (1) this Contract, (2) Request for Proposals # 25-060325 including any addenda and (3) Contractor’s proposal dated June 23, 2025. This procurement is governed by the Virginia Public Procurement Act and the Dinwiddie County Purchasing Policies and Procedures. All terms and conditions of the Act and the Policies and Procedures are hereby adopted and incorporated by reference herein.
2. **Term of Contract.** The term of this contract shall be for one (1) year with the option for renewals under the terms, conditions and unit pricing of the original contract for up to nine (9) additional years, unless either party gives written notification to the other party ninety (90) days prior to expiration of the then-current term that they do not wish to renew. The contract and any renewals are subject to the availability of funds and annual appropriations by the Board of Supervisors.
3. **Costs.** Contractor agrees to perform all work for the hourly rates (Option 1) and transaction fees as listed on Pages 24-26 of the Contractor’s proposal. Price increases, if any, shall be based on CPI and shall not exceed 5% per year. Price increases may also be negotiated at the time of renewal. Payment shall be made to Contractor within thirty (30) days after receipt of invoice.
4. **Notices.** Any notices required shall be in writing and be sent either by U.S. Mail with postage prepaid or by email to the addresses set forth below:

Notice to County shall be made to:
Procurement
Dinwiddie County

Notice to Contractor shall be made to:
Edward F. Cole III
Davenport & Company LLC

P.O. Drawer 70
Dinwiddie, Virginia 23841
(804) 469-4500
Accounting@dinwiddieva.us

901 East Cary Street, Suite 1100
Richmond, Virginia 23219
(804) 697-2907
tcole@investdavenport.com

5. **General Terms and Conditions.** During the term of this Contract, Contractor agrees to procure and maintain insurance which meets all County's requirements in the Request for Proposals.
6. **Additional Users/Cooperative Procurement.** Per the provisions of Section 2.2-4304 of the Virginia Public Procurement Act (VPPA), "Cooperative Procurement", if authorized by the Contractor, this contract may be extended to any jurisdiction/public body within the Commonwealth of Virginia to purchase at contract prices in accordance with contract terms. It is the Contractor's responsibility to notify the jurisdiction/public bodies of the availability of contract(s).
7. **Counterparts.** This Agreement may be executed in one or more counterparts each of which shall be deemed an original but all of which together shall constitute one and the same instrument. Signed signature pages may be transmitted by facsimile or as an attachment to an email, and any such signature shall have the same legal effect as an original.
8. **Severability.** If any provision of this Agreement is determined to be unenforceable, invalid or illegal, then the enforceability, validity and legality of the remaining provisions will not in any way be affected or impaired, and such provision will be deemed to be restated to reflect the original intentions of the parties as nearly as possible in accordance with applicable law.
9. **Force Majeure.** Neither party hereto shall be held liable for delay or failure to perform hereunder, when such delay or failure is without its fault or negligence and due solely to events beyond its control which cannot reasonably be forecast or provided against such as fires, strikes, floods, hurricanes, tornadoes, snowstorms, acts of God, acts of war or terrorism, or legal acts of public authorities.
10. **Miscellaneous.** This Contract shall be governed by the laws of the Commonwealth of Virginia. Jurisdiction and venue for any litigation arising out of or involving this Agreement shall lie in the Circuit Court of the County of Dinwiddie, Virginia, and such litigation shall be brought only in such courts. All pronouns used herein shall refer to every gender. Headings or titles in this Contract are only for convenience and shall have no meaning or effect upon the interpretation of the provisions of this Contract. This Contract is the entire agreement between the parties and may not be amended or modified, except by writing, signed by each party. If any provision of this Contract is determined to be unenforceable, then the remaining provisions of this Contract shall be interpreted as in effect as if such unenforceable provision were not included therein.
11. **Signature Authority.** The County Administrator is the only person with signature authority to sign agreements and contracts for Dinwiddie County. In his absence a Deputy County Administrator may sign for the County Administrator. These are the only people allowed to sign agreements/contracts. If an agreement is signed by any other person the agreement shall be null and void.

IN WITNESS WHEREOF, the parties hereto have executed this Contract as of the day first written above.

County of Dinwiddie, Virginia

Davenport & Company LLC

W. Kevin Massengill
W. Kevin Massengill
County Administrator

Edward F. Cole, III
Print Name/Title:
Edward F. Cole, III Senior Vice President

Approved as to form:

Department Approval:

W. K. Petty
Legal Counsel

Anne Howerton
Anne Howerton, Director of Finance

C. Price

With regard to our proposed compensation, Davenport is flexible as to the timing and method of payment. We are open to being compensated on a regularly scheduled basis and/or following a financing service or project deliverable. Also, we are open to your preferences on how best to structure our compensation. We can be compensated through a pre-determined fee; a not-to-exceed amount; an hourly rate; and/or a per bond fee. One or some combination of these options is many times the most viable and attractive approach for many of our clients.

We believe that there is no substitute for direct contact with our clients. Therefore, the County should rest assured that Davenport will make whatever number of trips are necessary in order to meet the agreed upon goals and objectives of the engagement. Meeting in person with the County is something Davenport would expect to do on a regular basis at minimal cost to the County given our location in the Richmond Metropolitan Area.

Price – In response to RFP Section 4.2.C.

A. Capital Planning (Non-Transaction Related) Services (check one option):

The County may request certain activities of the Financial Advisor that constitute Capital Planning above and beyond the traditional scope of services associated with a Bond transaction. These types of engagements are ones that involve the professional resources of Davenport to a degree above and beyond those already provided during a financing. In this event, the County and Financial Advisor shall negotiate prior to the beginning of the project on a fair and equitable basis for compensation. The following schedule of hourly rates (Option 1) and retainer (Option 2) will serve as a basis for this compensation.

Option 1 (Hourly Fees): The County and Financial Advisor will agree to a fee arrangement for Advisory services related to Capital Planning (i.e., Non-Transaction Services) in advance of commencing work on any task. This fee will be based on the expected scope of work and the level of resources required of the Financial Advisor. As the task evolves, the County and the Financial Advisor may negotiate changes to the original fee based upon changes in the related scope of work. Fees for these tasks will be based on the schedule of hourly rates outlined below:

- Senior Vice President	\$350
- First Vice President	\$325
- Vice President	\$300
- Associate Vice President	\$275
- Analyst	\$250

During each month or at such other frequency as requested by the County, Davenport will receive from the County compensation for the provision of services related to Capital Planning, as requested by the County, and billed in accordance with the hourly fee above. The County agrees to pay at the rate specified for Services satisfactorily performed or provided in accordance with this Agreement. As agreed upon by the County and the Financial Advisor, these fees can be incorporated with the Transaction Related fees addressed below to be paid from debt proceeds.

Section 4.2.C. continued

Option 2 (Annual Retainer): For all Capital Planning (i.e., Non-Transaction Services) the Financial Advisor shall be compensated through an annual retainer in the amount of \$35,000 payable annually in arrears on December 31. As agreed upon by the County and the Financial Advisor, these fees can be incorporated with the Transaction Related fees addressed below to be paid from debt proceeds.

B. Transaction-Related Services:

As part of this engagement, Davenport will charge the following Not-to-Exceed (“NTE”) fees for certain financing approaches. The actual fee amount will be determined based upon complexity and scope of work for individual transactions.

Credit	Public Offering with Bond Rating	State Loan/Bond Pool Program	Direct Bank Loan without Bond Rating
General Obligation Bonds	NTE \$85,000	NTE \$75,000	NTE \$75,000
Lease Revenue, Leases, & Revenue Bonds	NTE \$95,000	NTE \$85,000	NTE \$85,000
Equipment & Vehicle Financing	N/A	NTE \$50,000	NTE \$50,000
Revenue/Tax Anticipation Note	N/A	NTE \$35,000	NTE \$35,000
Refunding Component Upcharge	NTE \$30,000	NTE \$30,000	NTE \$30,000

Other Financing Structures (e.g., Special Assessment Financings, Tax Increment Financings, Variable Rate Demand Obligations, etc.) would be negotiated on a transaction-by-transaction basis.

The Financial Advisor shall be compensated for any issuance of bonds and/or notes upon successful completion and closing of such financing, according to the provisions above. Should the County terminate a financing prior to closing, the Financial Advisor shall be compensated for services provided prior to such termination according to the schedule of hourly rates found in Section A, Option 1 above.

C. Special Projects:

The County and Davenport may deem certain activities of the Financial Advisor to constitute a Special Project. A Special Project is one that either, involves the professional resources of the Financial Advisor to a degree above and beyond that already provided for under Sections A and B of this contract, or, that involves the bidding of an investment portfolio or investment agreement, a tax credit/federal subsidy-related financing (e.g. BAB’s, RZEDB’s, QSCBs, RZFB’s, USDA/RD debt), a utility pro-forma modeling project, or a Public Private Partnership Financing (e.g. Tax Increment Financing, Special Assessment District Financing, Privatization Financing Arrangements). In any of these events, the County and the Financial Advisor shall negotiate prior to the beginning of the Project on a fair and equitable basis for compensation.

Section 4.2.C. continued

D. Additional Fees and Expenses:

In addition to the fee compensation described above, Davenport will charge an additional fee equal to 4% of the fee compensation. Customary out-of-pocket expenses, including meals, lodging and mileage will be charged at cost.

E. Inflation Adjustment Allowance:

All fees and charges identified in Sections A, B, and C above, shall be subject to adjustment based on the Consumer Price Index (“CPI”) growth factor as published by the Bureau of Labor Statistics or similar/successor agencies for the period being billed using base prices as stated above. Such adjustments shall occur annually beginning on January 1, 2026. Price increases shall be limited to a maximum of 5% for each annual adjustment period.

Davenport would welcome the opportunity to discuss this fee proposal with the County so that we can come to a mutual agreement on both the compensation approach and specific fee amounts.

The remainder of this page intentionally blank.

E. Appendix – Cooperative Procurement

As provided for in Section 8 of the Dinwiddie County, Virginia RFP-25-060325 and as allowed for under the provisions of Section 2.2-4304 of the Virginia Public Procurement Act, regarding Additional Users / Cooperative Procurement, Davenport hereby authorizes any mutually agreed upon jurisdiction/public body within the Commonwealth of Virginia to purchase services as contemplated in our response to RFP-25-060325.

LARKIN PROPERTY PURCHASE (683 ACRES) & FINANCING TIMELINE

July 14, 2026 BOS Meeting



PROPERTY PURCHASE - BOS APPROVAL

RESOLUTION R2026-50

Adopted June 9, 2026



BOARD OF
SUPERVISORS

ERNE O. REED
Central District

JESSE N. RUTHERFORD
East District

J. DAVID PARR
West District

DR. JESSICA LIGON
South District

A. CAMERON LENAHAN
North District

CANDICE W. MCGARRY
County Administrator

AMANDA B. SPIVEY
Administrative Assistant/
Deputy Clerk

GRACE E. MAWYER
Director of Finance and
Human Resources

**RESOLUTION R2026-50
NELSON COUNTY BOARD OF SUPERVISORS
RESOLUTION RATIFYING PRE-AUCTION PROPERTY PURCHASE CONTRACT FOR
ACQUISITION OF 683 ACRES IN LOVINGSTON, VIRGINIA**

WHEREAS, Approximately 683 acres in Lovingston, Virginia were presented for auction by Torrence, Read & Forehand Auctions, L.C. on behalf of Wells Fargo, N.A., Trustee of the Thomas D. Larkin Jr. Trust; and,

WHEREAS, on May 26, 2026 in a duly held closed session pursuant to Virginia State Code §2.2-3711 A(6) and in accordance with Virginia State Code §15.2-1800, the Board of Supervisors authorized the County Administrator and County Attorney to submit a pre-auction offer of \$8,500,000 to purchase the approximately 683 acres in Lovingston consisting of tax parcels 67-A-37 and 67-A-39B; and

WHEREAS, submittal of this purchase offer required submission of a signed purchase contract committing to the terms of the auction sale known to the Board; and,

WHEREAS, the County's purchase offer of \$8,500,000 was accepted by the seller through execution of the attached Purchase Contract on June 2, 2026 for the total purchase price of \$8,925,000 which includes the 5% buyer's premium of \$425,000; and,

WHEREAS, the required 10% purchase deposit was subsequently made in the amount of \$892,500,

NOW THEREFORE BE IT RESOLVED, the Nelson County Board of Supervisors does hereby ratify the duly executed Auction Contract of Purchase for said property as attached and does hereby authorize the County Administrator and County Attorney to proceed towards settlement of the purchase contract.

Approved: June 9, 2026

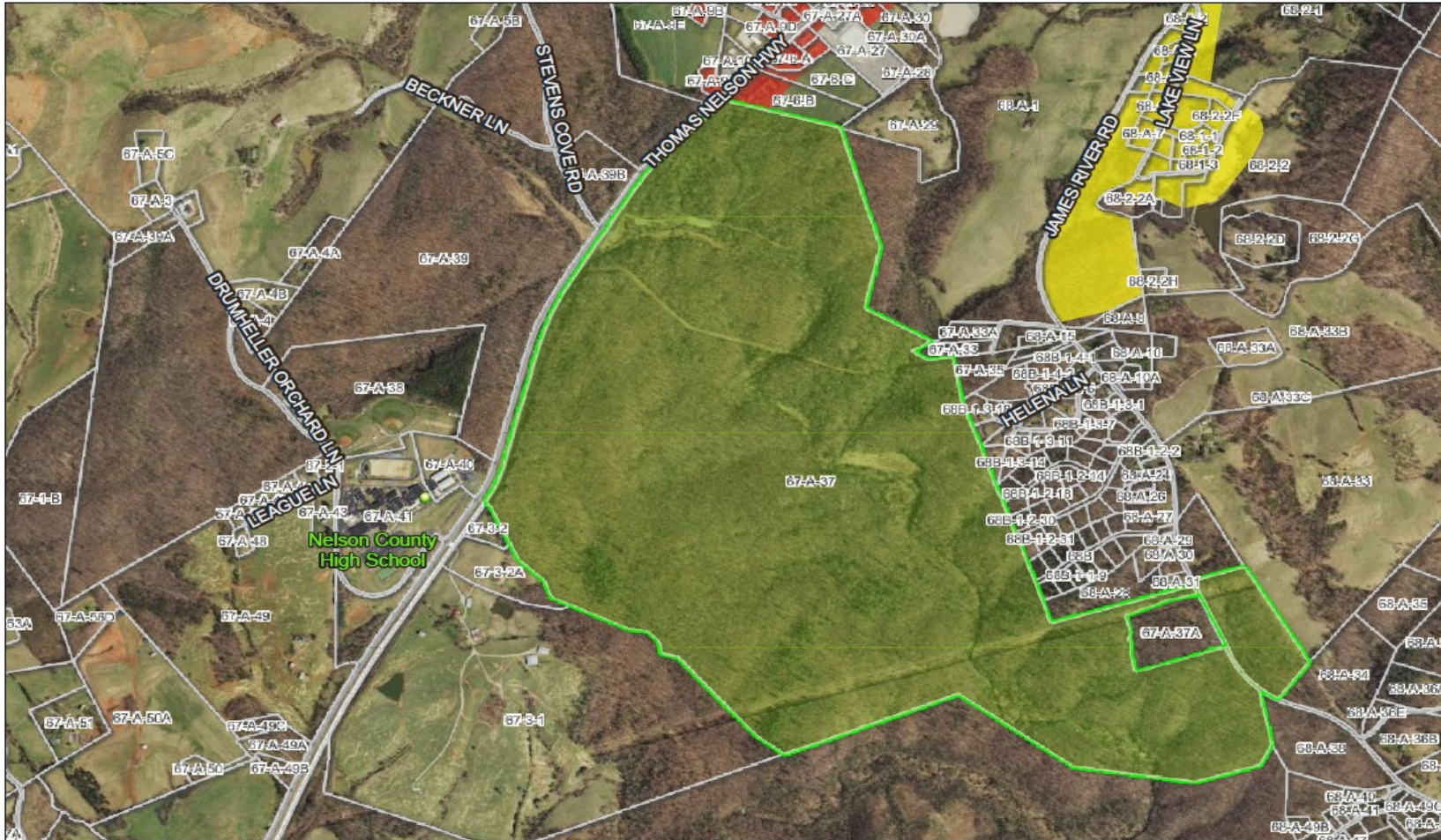
Attest: *Candice W. McGarry* Clerk,
Nelson County Board of Supervisors

2026 LARKIN PROPERTY ACQUISITION - 683 ACRES EAST OF ROUTE 29, LOVINGSTON

Nelson County New Larkin Property Acquisition

1" = 1,363'















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THIS MAP IS PROVIDED WITHOUT WARRANTY OF ANY KIND, either expressed or implied, including, but not limited to, the implied warranties of merchantability and fitness for a particular purpose. Site-specific information is best obtained after an onsite visit by a competent professional.

Nelson County, Virginia

Zoning

 Business District B-1 (0)	 Business District B-2 (1)	 Limited Industrial District M-1 (8)	 Service Enterprise District SE-1(7)	 Roads
 Agricultural District A-1 (2)	 Conservation District C-1 (3)	 Residential District R-1 (4)	 Residential Planned Community RPC (6)	 Public Schools
 Business District B-1 (0)	 Industrial District M-2 (9)	 Residential District R-2 (5)	 Historic Districts	



2021 EVALUATION OF 1,000 ACRES OF LARKIN PROPERTY PRIOR TO ACQUISITION OF APPROXIMATELY 312 ACRES WEST OF ROUTE 29 (AS SUMMARIZED BY S. CARTER - COUNTY ADMINISTRATOR)

Nelson County - Larkin Business Park Evaluation (Timmons Group) – 2021

Nelson County has long sought to bring high quality and competitive economic development opportunities to the County. Due to its large acreage and proximity to other county services, namely county schools, the Larkin Site (Property) has been long viewed as potential asset for those purposes. Timmons Group was tasked with studying the development potential and reporting to County leadership of this Property.

To date, Timmons Group has identified the Property to have value as a highly valuable development site, with some of the leading characteristics making it attractive:

- Existing road infrastructure (Route 29)
- Access to power
- Proximity to water and sewer infrastructure
- Synergy with existing county property
- Several large-site land bays
- High degree of potential phasing
- Highly flexible
- Minimal capital investment to launch
- Few competitors between Charlottesville and Lynchburg

Timmons also identified challenges to the site that include:

- More parcel acreage than needed for economic development
- Potential source water limitations for potential high-water users
- VDOT Access constraints (sight distance, etc.)


The Property naturally divides into two main parcels, one east and the other west of Route 29. This divide allows for a phasing opportunity and even the potential for only purchasing one or the other sites, assuming the seller is amenable.

While this Property appears to provide a good opportunity for economic development, additional studies, including a PER, traffic, and geotechnical studies, and a detailed utility capacity study, to ensure that there are no underlying challenges to the Property being successfully developed.

2022 LARKIN PROPERTY ACQUISITION – 312 ACRES WEST OF ROUTE 29, LOVINGSTON

Nelson County Property Map

1" = 1,123'




Nelson County, Virginia

Addresses	 Business District B-1 (0)	 Limited Industrial District M-1 (8)	 Service Enterprise District SE-1(7)
Zoning	 Business District B-2 (1)	 Residential District R-1 (4)	 Residential Planned Community RPC (6)
	 Conservation District C-1 (3)	 Residential District R-2 (5)	 Roads
	 Industrial District M-2 (9)		

THIS MAP IS PROVIDED WITHOUT WARRANTY OF ANY KIND, either expressed or implied, including, but not limited to, the implied warranties of merchantability and fitness for a particular purpose. Site-specific information is best obtained after an onsite visit by a competent professional.

2026 LARKIN PROPERTY ACQUISITION - 683 ACRES, LOVINGSTON

- Purchase Price: \$8,925,000 – Cash Terms
- 10% Deposit Paid: \$892,500
- Balance Due at Property Purchase Closing anticipated on August 31, 2026: \$8,032,500
- Property Use
 - To Be Determined With Community Input – the property will be evaluated for a variety of potential purposes, including economic development, recreation, infrastructure, or a combination of uses.
- 2-Pronged Financing Strategy:
 - Use of Fund Balance (Cash on Hand) for Cash purchase to meet property purchase closing timeline acceptable to seller
 - Replace Fund Balance (Cash on Hand) with Lease Revenue Bond Financing
 - Financing fits within the County's current debt capacity of \$15,000,000 without requiring any additional General Fund revenue for debt service to pay for this borrowing.

FUND BALANCE AND CASH FLOW ANALYSIS FOR CASH PURCHASE STRATEGY

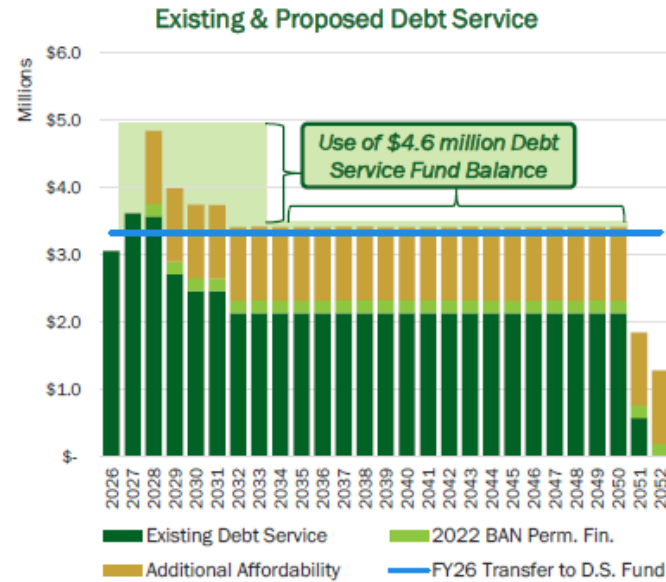
	180-Day (6-month Financing Closing) Operating Cash Requirement	150-Day (5-month Financing Closing)	120-Day (4-month Financing closing)	90-Day (3-month Financing Closing)
Bank Account Balances at 5/22/26	\$24,237,729			
Estimated Local Revenue (RE/PPT) A/R (Due June 5th)	\$10,326,005			
Estimated Additional RE Windfall A/R (Due June 5th)	\$1,893,831			
95% A/R Adjustment (collection rate)	<u>-\$610,992</u>			
Total:	\$35,846,573	\$35,846,573	\$35,846,573	\$35,846,573
Operating Cash Requirement Approximately \$4.8M/Month	<u>\$29,132,513</u>	<u>\$24,277,094</u>	<u>\$19,421,675</u>	<u>\$14,566,256</u>
FY27 Debt Service Payments	<u>\$2,822,175</u>	<u>\$2,822,175</u>	<u>\$2,822,175</u>	<u>\$1,385,340</u>
Maximum Cash Available After Cash Requirement and Debt Services Payments By Permanent Closing Timeframe	<u>\$3,891,886</u>	<u>\$8,747,304</u>	<u>\$13,602,723</u>	<u>\$19,894,977</u>
Scheduled Debt Services Payments Through December 2026				
July DS Payments	\$501,839			
August DS Payments	\$883,501		\$1,385,340 Total Paid as of Month 3 (90 Days)	
October DS Payments	<u>\$1,436,835</u>			
	\$2,822,175		Total Paid as of Month 4 (120 Days)	
* Assumes Cash Purchase Closing by August 31, 2026 - FY27				

DEBT CAPACITY ANALYSIS AS OF FEBRUARY 25, 2026 PRIOR TO PROPERTY PURCHASE



Future Debt Affordability

- In FY 2026, the County included a \$3,325,284 Transfer to the Debt Service Fund from recurring revenues in its budget.
- As of 6/30/2025, the County held \$4,626,213 in the Debt Service Fund Balance.
 - From that amount, \$718,077 is projected to be used in FY 2027 and FY 2028, leaving \$4,176,639 available for future use.
- Assuming that these funding sources are available going forward, the County could afford an additional \$15.0 million of debt (based on a 25-year term and a 5% interest rate).
- For each additional 1¢ on the tax rate (which approximately \$426,540) dedicated to debt service, the County could afford approximately \$6,900,000 of additional debt.



	Additional Recurring Revenue Dedicated to Debt Service		Resulting Additional Affordability	
			Incremental	Total
1¢	\$	426,540	\$ 6,900,000	\$ 21,900,000
2¢		853,080	13,800,000	28,800,000
3¢		1,279,620	20,700,000	35,700,000

Note: based on value of a 1¢ of \$426,540 following the reassessment effective 1/1/2026. Provided by staff.

EDA LEASE REVENUE BOND ANTICIPATION NOTE, SERIES 2026 FINANCING SCHEDULE FOR CLOSING BY SEPTEMBER 30, 2026

Preliminary Activity/Action:

- **July 9, 2026 EDA Meeting** – Discussion of Financing
- **July 14, 2026 Board of Supervisors Regular Meeting**
 - Plan of finance options are presented by Davenport (Financial Advisors)
 - Board of Supervisors authorizes staff and Davenport to issue an RFP for bank financing of a Lease Revenue Bond Anticipation Note (Interim Financing)

RFP Activity:

- By July 21, 2026 - RFP is issued by Davenport to Local, Regional, and National Banking Institutions
- By August 24, 2026 - RFP Bank Bids Due

EDA LEASE REVENUE BOND ANTICIPATION NOTE, SERIES 2026 FINANCING SCHEDULE FOR CLOSING BY SEPTEMBER 30, 2026

Board of Supervisors Action:

- **September 8, 2026 Board of Supervisors Regular Meeting**
 - Davenport presents summary of bank proposals
 - Board considers selecting the best option lender and adopting associated financing resolution and documents
- EDA Action Following BOS Presumed Approval:
 - **After September 8th, EDA Holds Special Called Meeting**
 - EDA considers adopting financing resolution and documents



BOARD OF SUPERVISORS

ERNIE Q. REED
Central District

JESSE N. RUTHERFORD
East District

J. DAVID PARR
West District

DR. JESSICA LIGON
South District

A. CAMERON LENAHAN
North District

CANDICE W. MCGARRY
County Administrator

AMANDA B. SPIVEY
Administrative Assistant/
Deputy Clerk

GRACE E. MAWYER
Director of Finance and
Human Resources

**RESOLUTION R2026-62
NELSON COUNTY BOARD OF SUPERVISORS
AUTHORIZATION TO PROCEED WITH THE RFP PROCESS FOR BANK FINANCING OF THE
PURCHASE OF 683 ACRES OF LARKIN PROPERTY IN LOVINGSTON**

BE IT RESOLVED, by the Nelson County Board of Supervisors, that the County Administrator and other County staff, the Financial Advisor (Davenport & Company LLC), the County’s bond counsel (Sands Anderson PC) and the County Attorney are authorized to take appropriate actions to proceed with the Request for Proposals (RFP) process, including the preparation of resolutions and financing documents, to allow the Board to consider approval of an EDA Lease Revenue Bond Anticipation Note, Series 2026 at a future meeting of the Board. This financing is related to the purchase of the 683-acre Larkin property in Lovingston.

Adopted: _____

Attest: _____, Clerk
Nelson County Board of Supervisors

Plan of Finance | 2026 Land Purchase

Nelson County, Virginia



July 14, 2026



Background

- Davenport & Company LLC (“Davenport”) has served as Financial Advisor to Nelson County, Virginia (the “County”) since 2002 and has provided the following services:
 - Debt Capacity and Debt Affordability analyses;
 - Multi-year strategic financial planning;
 - Comparative analyses/peer benchmarking;
 - Key financial (debt/fund balance) ratio analysis; and
 - Plan of finance development and implementation.

- In June 2026, the County decided to move forward with the purchase of approximately 683 acres of land along Route 29 (the “2026 Land Purchase”).
 - The County is considering financing the 2026 Land Purchase in order to replenish existing fund balances.

- The following pages include considerations and a potential plan of finance for the 2026 Land Purchase as well as the County’s existing Lease Revenue Bond Anticipation Note, Series 2022 (the “2022 BAN”), that also funded the purchase of land (the “2022 Land Purchase”).



2026 Land Purchase | Financing Considerations

- Based on discussions with County Staff, the ultimate use of the property acquired in the 2026 Land Purchase has not yet been decided.

- To provide flexibility for the future, the County may want/need to consider the following:
 - **Interim Financing** – rather than pursuing a long-term financing initially, a shorter maturity (in the range of 3-5 years) would provide the County with time to plan for the land.
 - **Issuing on a Taxable basis** – given the potential uses for the property, Bond Counsel has indicated that the financing for the 2026 Land Purchase should be undertaken on a Taxable basis.

- Based on discussions with County Staff and Bond Counsel, the financing of the 2026 Land Purchase could be completed by September 2026 via a Taxable Lease Revenue BAN (the “2026 BAN”) to be issued with the Economic Development Authority (“EDA”) serving as the conduit issuer.

- Should the Board of Supervisors be agreeable to this approach, Davenport will distribute on the County’s behalf a Request for Proposals (“RFP”) to local, regional, and national banking institutions.
 - Proposals would be received in late August and presented to the Board of Supervisors on September 8th.



2026 Land Purchase | Preliminary Plan of Finance

- Similar to the 2022 BAN, the anticipated structure of the 2026 BAN would be as follows:
 - Par Amount: approximately \$9.1 million.
 - Term: 3-5 years.
 - Issuer: EDA as conduit for the County (note: the EDA will not be responsible for the debt service on the 2026 BAN, which would be paid by the County and subject to annual appropriation in the budget).
 - Collateral: property that was purchased.
 - Call Provisions: flexibility will be requested to allow for prepayment as early as possible following closing.
 - Principal Repayment: all due at maturity (with the intention of paying off or permanently financing the 2026 BAN prior to its maturity).



Financing Considerations | 2022 Land Purchase

- The County undertook a similar process for the 2022 Land Purchase, which was financed on an interim basis with the \$2.6 million 2022 BAN.
 - At the time, the County planned to use this property for governmental purposes, allowing the 2022 BAN to be issued on a Tax-Exempt basis.

- The final maturity of the 2022 BAN is August 1, 2027, which means that the County will need to accomplish one of the following by that date:
 - Pay off the 2022 BAN with fund balance or other cash on hand;
 - Permanently finance the 2022 BAN with a long-term bond issuance; or
 - Extend the maturity of the 2022 BAN with the existing or a new lender.

- To take advantage of efficiencies, an extension or permanent financing of the 2022 BAN could be undertaken simultaneously with the 2026 BAN bank RFP process discussed on the prior page.
 - However, if the County decides in the next 12 months to move forward with a project on this property, the 2022 BAN could be permanently financed at the same time as the County obtains funding for that project.



Next Steps / Timeline

Date	Action
July 14 th	Board of Supervisors Meeting <ul style="list-style-type: none">▪ Davenport presents preliminary Plan of Finance for the 2026 BAN.▪ Board of Supervisors considers directing County Staff, Bond Counsel, and Davenport to move forward with a bank RFP process.
By July 24 th	Davenport distributes RFP to local, regional, and national banks.
August 24 th	Bank proposals due.
August 31 st	Purchase Agreement deadline for 2026 Land Purchase.
September 8 th	Board of Supervisors Meeting <ul style="list-style-type: none">▪ Davenport presents summary of bank proposals.▪ Board of Supervisors considers selecting preferred lender and adopting final resolution/financing documents.
After September 8 th	EDA Board Meeting <ul style="list-style-type: none">▪ EDA Board considers adopting final resolution/financing documents.
By September 30 th	Close on 2026 BAN.

Disclaimer



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BOARD OF
SUPERVISORS

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East District

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West District

DR. JESSICA LIGON
South District

A. CAMERON LENAHAN
North District

CANDICE W. MCGARRY
County Administrator

AMANDA B. SPIVEY
Administrative Assistant/
Deputy Clerk

GRACE E. MAWYER
Director of Finance and
Human Resources

**RESOLUTION R2026-63
NELSON COUNTY BOARD OF SUPERVISORS
AUTHORIZATION FOR PUBLIC HEARING
AMENDMENT OF FY2026-2027 BUDGET TO INCLUDE LARKIN PROPERTY PURCHASE
AND WWTP DEQ CONSENT ORDER COSTS**

BE IT RESOLVED, by the Nelson County Board of Supervisors, that pursuant to §15.2-2507 of the Code of Virginia 1950 as amended that a public hearing is hereby authorized to be held on Tuesday, August 11, 2026 at 7:00 PM in the General District Courtroom of the Courthouse in Lovingson, Virginia. The purpose of the public hearing is to receive public input on a proposed FY2026-2027 Budget Amendment that provides for the 2026 Larkin Property purchase in the amount of \$8,925,000, the optional re-financing of the 2022 Larkin Property purchase in the amount of \$2,600,000, and the loan to Nelson County Service Authority for Wintergreen Wastewater Treatment Plant DEQ Consent Order Costs in the amount of \$ \$3,100,000. This total proposed budget amendment exceeds the statutory limit of one percent of the total expenditures shown in the currently adopted budget that can be approved without first holding a public hearing of \$874,452.

Adopted: _____

Attest: _____, Clerk
Nelson County Board of Supervisors

From: [Jennifer Fitzgerald](#)
To: [Amanda Spivey](#)
Cc: [Candy McGarry](#); [George Miller](#)
Subject: RE: meeting items from today
Date: Wednesday, July 1, 2026 10:16:09 AM
Attachments: [image001.png](#)
[Short Term Corrective Action Plan per George 6302026.pdf](#)

Total Project Cost Estimate for Temporary 300,000 GPD Package WWTP by BluBox

Capital Cost Item Description	Cost
Delivery of equipment to site (by supplier)	\$174,000
Installation of equipment on site and startup (by supplier)	\$475,000
Freeze protection of equipment (by supplier)	\$270,000
Decommissioning (by supplier)	\$180,000
Removal of equipment and shipping to supplier (by supplier)	\$174,000
Site preparation, grading and pad site (by owner)	\$75,000
Site mechanical, piping, transfer pumps (by owner)	\$300,000
Site electrical and controls (by owner)	\$300,000
Generator and ATS for package plant (by owner)	\$425,000
Crane rental for loading/unloading (by owner)	\$25,000
Total Capital Cost	\$2,398,000
Operating Cost Item Description (5 month term) (by owner)	Cost
Package plant rental cost (\$96,765/month)	\$483,825
Generator diesel fuel cost (est. 14,400 gallons/month, \$5/gallon)	\$360,000
Plant operations cost (personnel, chemicals)	\$75,000
Total Operating Cost for 5 month term	\$918,825
Additional Project Costs Item Description	Cost
Engineering (15% of owner capital construction costs)	\$165,000
Contractor OH&P (15% of owner capital construction costs)	\$165,000
Contingencies (20% of owner capital & operating costs)	\$408,765
Permitting/approvals by Virginia DEQ	\$50,000
On-site inspection during construction	\$30,000

Total Additional Project Costs	\$818,765
Total Estimated Overall Project Cost	\$4,135,590

§ 15.2-2507. Amendment of budget

A. Any locality may amend its budget to adjust the aggregate amount to be appropriated during the current fiscal year as shown in the currently adopted budget as prescribed by § 15.2-2504. However, any such amendment which exceeds one percent of the total expenditures shown in the currently adopted budget must be accomplished by publishing notice of a meeting and a public hearing in accordance with § 15.2-1427. The notice shall state the governing body's intent to amend the budget and include a brief synopsis of the proposed budget amendment. Any local governing body may adopt such amendment at the advertised meeting, after first providing a public hearing during such meeting on the proposed budget amendments.

B. Pursuant to the requirements of §§ 15.2-1609.1, 15.2-1609.7, 15.2-1636.8, and 15.2-1636.13 through 15.2-1636.17 every county and city shall appropriate as part of its annual budget or in amendments thereto amounts for salaries, expenses and other allowances for its constitutional officers that are not less than those established for such offices in the locality by the Compensation Board pursuant to applicable law or, in the event of an appeal pursuant to § 15.2-1636.9, by the circuit court in accordance with the provisions of that section.

1983, c. 319, § 15.1-162.1; 1984, c. 523; 1997, cc. 587, 602; 2007, c. 297; 2024, cc. 225, 242.

The chapters of the acts of assembly referenced in the historical citation at the end of this section(s) may not constitute a comprehensive list of such chapters and may exclude chapters whose provisions have expired.

Code of Virginia

Title 15.2. Counties, Cities and Towns

Subtitle II. Powers of Local Government

Chapter 14. Governing Bodies of Localities

Article 4. Ordinances and Other Actions by the Local Governing Body

§ 15.2-1427. Adoption of ordinances and resolutions generally; amending or repealing ordinances

A. Unless otherwise specifically provided for by the Constitution or by other general or special law, an ordinance may be adopted by majority vote of those present and voting at any lawful meeting.

B. On final vote on any ordinance or resolution, the name of each member of the governing body voting and how he voted shall be recorded; however, votes on all ordinances and resolutions adopted prior to February 27, 1998, in which an unanimous vote of the governing body was recorded, shall be deemed to have been validly recorded. The governing body may adopt an ordinance or resolution by a recorded voice vote unless otherwise provided by law, or any member calls for a roll call vote. An ordinance shall become effective upon adoption or upon a date fixed by the governing body.

C. All ordinances or resolutions heretofore adopted by a governing body shall be deemed to have been validly adopted, unless some provision of the Constitution of Virginia or the Constitution of the United States has been violated in such adoption.

D. An ordinance may be amended or repealed in the same manner, or by the same procedure, in which, or by which, ordinances are adopted.

E. An amendment or repeal of an ordinance shall be in the form of an ordinance which shall become effective upon adoption or upon a date fixed by the governing body, but, if no effective date is specified, then such ordinance shall become effective upon adoption.

F. In counties, except as otherwise authorized by law, no ordinance shall be passed until after notice of an intention to propose the ordinance for passage has been advertised by reference twice, with the first notice being published no more than 28 days before and the second notice appearing no less than seven days before the date of the meeting referenced in the notice, in a newspaper having a general circulation in the county. The publication shall include a statement that a copy of the full text of the ordinance is on file in the clerk's office of the circuit court of the county or in the office of the county administrator; or in the case of any county organized under the form of government set out in Chapter 5, 7 or 8 of this title, a statement that a copy of the full text of the ordinance is on file in the office of the clerk of the county board.

In counties, emergency ordinances may be adopted without prior notice; however, no such ordinance shall be enforced for more than sixty days unless readopted in conformity with the provisions of this Code.

G. In towns, no tax shall be imposed except by a two-thirds vote of the council members.

Code 1950, §§ 15-8, 15-10; 1950, p. 113; 1954, c. 529; 1956, cc. 218, 664; 1956, Ex. Sess., c. 40; 1958, cc. 190, 279; 1960, c. 606; 1962, c. 623, § 15.1-504; 1966, cc. 405, 612; 1968, c. 625; 1970, c. 581; 1972, cc. 41, 837; 1973, c. 380; 1978, c. 235; 1983, c. 11; 1997, c. 587; 1998, c. 823; 2000, c.

895;2023, cc. 506, 507;2024, cc. 225, 242.

The chapters of the acts of assembly referenced in the historical citation at the end of this section(s) may not constitute a comprehensive list of such chapters and may exclude chapters whose provisions have expired.

(1) New Vacancies/Expiring Seats & New Applicants :					
Board/Commission	Term Expiring	Term & Limit Y/N	Incumbent	Re-appointment	Applicant(s)
MACAA Board of Directors	6/30/2026	3 year term/No limits	Ann Mische	N	Advertising
N.C. Library Advisory Committee - North District	6/30/2026	4 year term/No limits	Jennifer Page	N	Advertising
Board of Building Code Appeals	6/30/2026	4 year term/No limits	Robin Meyer	?	Response pending
(2) Existing Vacancies:					
Board/Commission	Term Expiration	Term & Limit Y/N	Incumbent	Re-appointment	Applicant(s)
Board of Zoning Appeals - alternate	3/30/2025	5 year term/No limits	Mary Cunningham	N	Application pending
Thomas Jefferson Area Community Criminal Justice Board	6/30/2026	3 years/2 term limit	Mark Stapleton	N - resigned	Advertising
Ag & Forestal District Advisory Committee - Producer	5/13/2027	4 year term/ 3 term limit	Andy Wright	N - resigned	Advertising