

AT A REGULAR MEETING OF THE BOARD OF SUPERVISORS OF THE COUNTY OF MONTGOMERY, VIRGINIA HELD ON THE 23rd DAY OF AUGUST 2010 AT 6:00 P.M. IN THE BOARD CHAMBERS, MONTGOMERY COUNTY GOVERNMENT CENTER, 755 ROANOKE STREET, CHRISTIANSBURG, VIRGINIA:

PRESENT:	Annette S. Perkins	-Chair
	Mary W. Biggs	-Supervisors
	William H. Brown	
	Gary D. Creed	
	Doug Marrs	
	John A. Muffo	
	F. Craig Meadows	-County Administrator
	Martin M. McMahon	-County Attorney
	Ron Bonnema	-County Engineer
	Angie Hill	-Financial & Management Services Director
	Steve Sandy	-Planning Director
	Ruth L. Richey	-Public Information Officer
	Vickie L. Swinney	-Secretary, Board of Supervisors
ABSENT:	James D. Politis	-Vice Chair
	L. Carol Edmonds	-Assistant County Administrator

CALL TO ORDER

The Chair called the meeting to order.

INTO CLOSED MEETING

On a motion by William H. Brown, seconded by Mary W. Biggs and carried unanimously,

BE IT RESOLVED, The Board of Supervisors hereby enters into Closed Meeting for the purpose of discussing the following:

- Section 2.2-3711 (1) Discussion, Consideration or Interviews of Prospective Candidates for Employment; Assignment, Appointment, Promotion, Performance, Demotion, Salaries, Disciplining or Resignation of Specific Officers, Appointees or Employees of Any Public Body
1. Board of Equalization
 2. Parks and Recreation Commission
 3. County Administrator's Annual Review

The vote on the foregoing motion was as follows:

<u>AYE</u>	<u>NAY</u>	<u>ABSENT</u>
Gary D. Creed	None	James D. Politis
William H. Brown		
Mary W. Biggs		
Doug Marris		
John A. Muffo		
Annette S. Perkins		

OUT OF CLOSED MEETING

On a motion by William H. Brown, seconded by Mary W. Biggs and carried unanimously,

BE IT RESOLVED, The Board of Supervisors ends their Closed Meeting to return to Regular Session.

The vote on the foregoing motion was as follows:

<u>AYE</u>	<u>NAY</u>	<u>ABSENT</u>
William H. Brown	None	James D. Politis
Mary W. Biggs		
Doug Marris		
John A. Muffo		
Gary D. Creed		
Annette S. Perkins		

CERTIFICATION OF CLOSED MEETING

On a motion by William H. Brown, seconded by Mary W. Biggs and carried unanimously,

WHEREAS, The Board of Supervisors of Montgomery County has convened a Closed Meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3711 of the Code of Virginia requires a certification by the Board that such Closed Meeting was conducted in conformity with Virginia law.

NOW, THEREFORE, BE IT RESOLVED, That the Board of Supervisors of Montgomery County, Virginia hereby certifies that to the best of each member's knowledge (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion conveying the closed meeting were heard, discussed or considered by the Board.

VOTE

AYES

Mary W. Biggs
Doug Marrs
John A. Muffo
Gary D. Creed
William H. Brown
Annette S. Perkins

NAYS

None

ABSENT DURING VOTE

James D. Politis

ABSENT DURING MEETING

James D. Politis

INVOCATION

A moment of silence was lead by the Chair.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

AMEND AGENDA

The Chair requested that the first item of Work Session, County's Debt Capacity and Financial Status, be presented at this time due to the presenter having to travel back to Richmond directly after the meeting.

INTO WORK SESSION

On a motion by William H. Brown, seconded by Mary W. Biggs and carried unanimously,

BE IT RESOLVED, The Board of Supervisors hereby enters into Work Session for the purpose of discussing the following:

1. County's Debt Capacity and Financial Status

The vote on the foregoing motion was as follows:

<u>AYE</u>	<u>NAY</u>	<u>ABSENT</u>
Mary W. Biggs	None	James D. Politis
Doug Marrs		
John A. Muffo		
Gary D. Creed		
William H. Brown		
Annette S. Perkins		

County's Debt Capacity and Financial Status

The County's Financial Advisor, Courtney Rogers with Davenport & Company, LLC, provided an analysis of proposed school capital projects on debt capacity and debt affordability. Mr. Rogers stated that Montgomery County has identified potential school capital projects ranging from \$14.5 million to \$124 million that would require funding in the near future. The options to be discussed include:

- 1) \$14.5 million Repair structural issues related to Blacksburg High School, continue use of current structure
- 2) \$57.4 million Construct a new Blacksburg High School facility
- 3) \$102 million Construct a new Blacksburg High School facility and a new Auburn High School facility
- 4) \$124.5 million Construct a new Blacksburg High School facility, a new Auburn High School facility, and renovate the existing AHS for reuse as an Auburn Middle School

It is anticipated that approximately \$9.5 million of bond proceeds remaining due to the cost savings on the Prices Fork Elementary School and Eastern Montgomery Elementary School and \$5 million from insurance proceeds, will be available toward the proposed school capital projects.

Potential impact of funding the options related to the County's existing debt capacity and debt affordability were analyzed and how additional debt could impact the County's bond ratings.

An increase in the County's tax rate ranging from 5.5 cents to 12.5 cents can be expected if bonds are issued to cover the cost of the options mentioned above. This is based on an estimated interest rate of 3.83% over 20 years.

Mr. Rogers stated that if Option #4 was approved, the borrowing of \$110 million would violate the County's debt policy related to debt service vs. expenditures. The County's guideline is to stay below 12% of its annual expenditures toward debt service. The debt service in 2012 would exceed 16 % and it would not fall under 12% until the year 2020.

If the County were to move forward with a debt issuance and if the bond rating should fall, the most it would fall is one notch (i.e. from Aa2 to Aa3). Mr. Rogers does not believe the bond rating would fall due to the County's strong financial standing and past borrowing history. However, borrowing again before 2020 could hurt the County's bond rating.

Several Board members expressed concern with the large amount of borrowing needed and how it could potentially hurt the County's bond rating. Also, how it would lock the County into not being able to borrow for future capital projects until 2020.

OUT OF WORK SESSION

On a motion by Mary W. Biggs seconded by William H. Brown and carried unanimously,

BE IT RESOLVED, The Board of Supervisors ends their Work Session to return to Regular Session.

The vote on the foregoing motion was as follows:

<u>AYE</u>	<u>NAY</u>	<u>ABSENT</u>
Doug Marrs	None	James D. Politis
John A. Muffo		
Gary D. Creed		
William H. Brown		
Mary W. Biggs		
Annette S. Perkins		

PUBLIC HEARING

The following public hearing was continued to the Board's September 27, 2010 meeting due to the Planning Commission tabling this request at their August 11, 2010 meeting in order to receive additional information:

Special Use Permit – Joseph & Elizabeth Maxwell – Telecommunication Tower

A request by Joseph & Elizabeth Maxwell (Agent: Rich Rosenfeld) for a special use permit on 25.12 acres in a General Business (GB) zoning district to allow a 199 ft. telecommunication tower. The property is located at 1485 Harding Road, approximately 350 feet south of the intersection with Fleets Way (private), and is identified as Tax Parcel No. 041-A-60 (Acct # 012046) in the Mount Tabor Magisterial District (District A). The property currently lies in an area designated as Residential Transition in the 2025 Comprehensive Plan.

There being no speakers, the public hearing was continued to September 27, 2010.

PUBLIC ADDRESS

Barbara Brady expressed concerns with the safety of the Blacksburg High School facility. Ms. Brady supports the School Board's Option # 4 to construct a new Blacksburg High School facility, a new Auburn High School facility, and renovation of the the existing AHS for reuse as an Auburn Middle School. She believes it would be an injustice to put Auburn on the backburner and that the community needs to work together. Ms. Brady urged the Board to approve Option #4.

Cathy Hill addressed the Board regarding the school construction needs in the County. Ms. Hill thanked the Board for looking at the options submitted by the School Board; however, there is not enough money to fund these options for school construction. She urged the Board to look at other revenue sources, such as increasing the meals and lodging tax and selling vacant facilities. Ms. Hill also believes the two Towns need to slow down development which causes school overcrowding. She urged the Board to consider the construction of a new Blacksburg High School and Auburn High School.

Erin Bull, President of the Montgomery County Education Association, thanked the Board for their support by maintaining the schools education program this year. Ms. Bull believes education money is an investment to the County. She stated that teachers have not received a raise for three years and many teachers purchase supplies with their own money. Ms. Bull stated the County needs to do all it can to retain the quality teachers in Montgomery County.

Christine Synder a senior at Auburn High School, spoke when she was a seventh grader at Auburn Middle School on the need for a new middle and high school. She is concerned that five years later nothing has been done. Ms. Snyder spoke on the overcrowding issues, lack of gym space for the numerous sport activities and students having to walk outside in inclement weather to get to class. She stated that both Blacksburg and Auburn have needs and that students should have a safe place to go.

Paul Carlie urged the Board to accept the School Board's recommendation to build a new Blacksburg High School and Auburn High School and renovate the existing AHS for an Auburn Middle School. He believes instructional facilities are a must for economic development.

Carl Rakes expressed his appreciation to the Board of Supervisors on the way the County has managed its finances by working to keep a strong financial structural to insure the County receives the lowest possible interest rates when issuing bonds. Mr. Rakes believes now is the time to borrow money while the interest rates are low and the tax base is still producing revenue.

Linda Nelson expressed concerns with the safety issues at the Blacksburg High School. Ms. Nelson stated she is not comfortable sending her children back into this facility; however, she is not able to pay more taxes. She asked the Board to consider the people that cannot afford a tax increase and take everything into consideration.

Elmer Howard addressed the Board with concerns with spending \$100 million on schools when citizens cannot afford to pay additional taxes. He believes liberal spending will put the County deeper in debt and spread itself too thin. Mr. Howard stated that buildings should not be an issue if you have qualified teachers.

Jennifer Mengel asked the Board to renovate the Blacksburg High School and move forward with the Auburn Strand projects. She stated that Auburn has twelve (12) years of safety issues, not just six months. She stated that many people may not be happy with just renovating BHS but it will meet the needs. Ms. Mengel also believes now is not the time to raise taxes as many people in the community cannot afford an increase. She questions how the Board can consider raising taxes when the County is struggling.

Julie Synder implored the Board to do the right thing and move forward with school capital projects. Ms. Snyder stated the County has not raised taxes in over four years for capital projects

and Auburn has been waiting twelve years. She is worried that Auburn will be ignored while considering what do to with Blacksburg High School. She believes now is the time to build while interest rates and construction costs are low. Ms. Snyder also stated that if a new BHS is constructed then a 1,600 student school will allow for growth. She urged the Board to approve new school capital projects by starting with Auburn.

RECESS

The Board took a ten minute recess at 9:10 p.m. and reconvened at 9:20 p.m.

INTO WORK SESSION

On a motion by Mary W. Biggs seconded by William H. Brown and carried unanimously,

BE IT RESOLVED, The Board of Supervisors hereby enters into Work Session for the purpose of discussing the following:

2. Update on Public Safety Building Project

The vote on the foregoing motion was as follows:

<u>AYE</u>	<u>NAY</u>	<u>ABSENT</u>
Gary D. Creed	None	James D. Politis
William H. Brown		
Mary W. Biggs		
Doug Marrs		
John A. Muffo		
Annette S. Perkins		

Update on Public Safety Building Project

Jay Moore, Mosely Architects, made a presentation on the preliminary architectural review (PAR) of the Public Safety Building and Jail renovations. Mr. Moore stated the purpose of the PAR is to evaluate the current courthouse to determine what will be required in order to renovate it for use as a Public Safety Building. The PAR also analyzed the current and future space requirements for the Sheriff's Department and other potential building occupants. They also evaluated the existing conditions at the jail and consulted with the Sheriff's Department staff regarding operational concerns.

The current courthouse was constructed in 1979 and has six floor levels totaling 57,150 square feet. The interior of the courthouse is not configured for the proposed use of a public safety building, which can be addressed through renovation. The proposed public safety building will house the Sheriff's Department, Magistrate's Office, Juvenile and Adult Probation/Parole Office and the Regional Emergency Operations Center.

The current jail is not adequate to meet the jail needs. Renovation of the jail will provide adequate vehicle sallyport that can accommodate vehicles regularly used to transport inmates; provide an adequate kitchen facility; and provide adequate administrative space.

The estimated cost for the public safety building is \$11,666,164 without the Regional Emergency Operations Center, or \$12,588,516 with the Regional Emergency Operations Center. The estimated cost for the jail renovation is \$8.1 million. Mr. Moore reported that final designs can be completed by mid-year 2011 and advertising for bids in September/October 2011. Final completion is estimated by March 2013.

Mr. Moore believes that the majority of the cost could be eligible for 25% reimbursement cost from the State.

The County Administrator reported the County has \$11 million set aside for this project, \$8 million from the 2008 bond issuance and \$3 million from costs savings from the new courthouse. He stated that a future work session to discuss costs and funding will be scheduled.

OUT OF WORK SESSION

On a motion by Mary W. Biggs seconded by William H. Brown and carried unanimously,

BE IT RESOLVED, The Board of Supervisors ends their Work Session to return to Regular Session.

The vote on the foregoing motion was as follows:

<u>AYE</u>	<u>NAY</u>	<u>ABSENT</u>
William H. Brown	None	James D. Politis
Mary W. Biggs		
Doug MARR		
John A. Muffo		
Gary D. Creed		
Annette S. Perkins		

CONSENT AGENDA

On a motion by Mary W. Biggs seconded by William H. Brown and carried unanimously, the Consent Agenda dated August 23, 2010 was approved.

The vote on the foregoing motion was as follows:

<u>AYE</u>	<u>NAY</u>	<u>ABSENT</u>
John A. Muffo	None	James D. Politis
Gary D. Creed		
William H. Brown		
Mary W. Biggs		
Doug MARR		
Annette S. Perkins		

Appropriations and Transfers

**A-FY-11-23
SCHOOL ENCUMBRANCE
CARRY FORWARD**

On a motion by Mary W. Biggs seconded by William H. Brown and carried unanimously,

BE IT RESOLVED, By the Board of Supervisors of Montgomery County, Virginia that the General Fund is granted an appropriation in addition to the annual appropriation for the fiscal year ending June 30, 2011, for the function and in the amount as follows:

940	Transfer to School Operating Fund	\$973,657
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The source of funds for the foregoing appropriation is as follows:

451203	Undesignated Fund Balance	\$973,657
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BE IT FURTHER RESOLVED, By the Board of Supervisors of Montgomery County, Virginia that the School Operating Fund was granted an appropriation in addition to the annual appropriation for the fiscal year ending June 30, 2011, for the function and in the amount as follows:

School Operating		
561000	Instruction	32,153
563000	Transportation	175,070
564000	Operations and Maintenance	<u>766,434</u>
	Total	\$973,657

The source of funds for the foregoing appropriation is as follows:

<u>Revenue Account</u>		
451204	Fund Balance	\$973,657

Said resolution reappropriates monies supporting the balances of outstanding purchase orders for the Schools.

**A-FY-11-24
BOARD OF SUPERVISORS
TRANSFER FROM CONTINGENCIES
CLERK OF COURT PROCEEDS**

On a motion by Mary W. Biggs seconded by William H. Brown and carried unanimously,

BE IT RESOLVED, By the Board of Supervisors of Montgomery County, Virginia that a transfer of appropriation is hereby authorized as follows:

FROM:
950 General Contingencies (\$24,579)

TO:
100 Board of Supervisors \$24,579

Said resolution transfers appropriated funds from General Contingencies to the Board of Supervisors to refund the Clerk of Court for proceeds from a delinquent tax sale that were forwarded to the County.

R-FY-11-16
RESOLUTION SUPPORTING
MONTGOMERY COUNTY PUBLIC SERVICE AUTHORITY
REQUEST FOR PLANNING AND DESIGN GRANTS
FROM THE VIRGINIA DEPARTMENT OF HEALTH

On a motion by Mary W. Biggs seconded by William H. Brown and carried unanimously,

WHEREAS, The Montgomery County Public Service authority has applied for two Planning and Design Grants (the “Grants”) from the Virginia Department of Health in order to obtain funding to study (1) the feasibility and cost of interconnecting the Prices Fork water system with the Plum Creek water system and pump station and (2) to evaluate the feasibility and cost to reactivate the existing Shawsville well as a potential source of public potable water to serve Eastern Montgomery County; and

WHEREAS, The Montgomery County Public Service Authority has requested the Board of Supervisors to submit a letter supporting each of the Grant requests made by the Montgomery County Public Service Authority from the Virginia Department of Health; and

WHEREAS, The Board of Supervisors hereby supports the Montgomery County Public Service Authority obtaining the Grants from the Virginia Department of Health to evaluate both the feasibility and cost to interconnect the Plum Creek water system with the Prices Fork water system and to study the feasibility and cost to reactivate the existing Shawsville well as a potential source of potable water.

NOW THEREFORE, BE IT RESOLVED, By the Board of Supervisors of the County of Montgomery that the Board of Supervisors hereby supports the Montgomery County Public Service Authority obtaining Planning and Design Grants from the Virginia Department of Health for the following projects:

- 1) To study the feasibility and cost to interconnect the Prices Fork water system with the Plum Creek water system and associated pump station; and
- 2) To study the feasibility and cost to reactivate the existing Shawsville well as a potential source of public potable water to serve Eastern Montgomery County.

BE IT FURTHER RESOLVED, By the Board of Supervisors that Annette Perkins, Chair, is hereby authorized to sign the two letters of support on behalf of the Board of Supervisors expressing the Board's support for the two referenced projects.

NEW BUSINESS

**R-FY-11-17
RESOLUTION ESTABLISHING THE
PERSONAL PROPERTY TAX RELIEF
PERCENTAGE FOR 2010**

On a motion by Mary W. Biggs, seconded by William H. Brown and carried unanimously,

WHEREAS, The Personal Property Tax Relief Act of 1998, Virginia Code §58.1-3523, et seq. ("PPTRA"), has been substantially modified by the enactment of Chapter 1 of the Acts of Assembly, 2004 Special Session I (Senate Bill 5005), and the provisions of Item 503 of Chapter 951 of the 2005 Acts of Assembly (the 2005 revisions to the 2004-06 Appropriations Act, hereinafter cited as the "2005 Appropriations Act"); and

WHEREAS, These legislative enactments required the County of Montgomery, Virginia, to take affirmative steps to implement these changes and to provide for the computation and allocation of relief provided pursuant to the PPTRA as revised; and

WHEREAS, These legislative enactments provide for the appropriation to the County of Montgomery, Virginia, commencing in 2006, of a fixed sum to be used exclusively for the provision of tax relief to owners of qualifying personal use vehicles that are subject to the personal property tax ("PPT") on such vehicles and provide the opportunity for the County of Montgomery, Virginia, to fashion a program of tax relief that serves the best interest of its citizenry; and

WHEREAS, The Board of Supervisors adopted an ordinance to implement the changes to PPTRA affected by legislation adopted during the 2004 Special Session I and the 2005 Regular Session of the General Assembly of Virginia on November 28, 2005.

NOW, THEREFORE, BE IT RESOLVED, By the Board of Supervisors of the County of Montgomery, Virginia, that the rate of 100% of relief shall be applied to each qualifying vehicle valued at \$1,000 or less and that the rate of 56.94% shall be applied to the first \$20,000 in value of each qualifying vehicle with a value above \$1,000. Those rates of relief are estimated to exhaust PPTRA relief funds available to the County of Montgomery, Virginia, by the Commonwealth of Virginia for Tax Year 2010.

FURTHER BE IT RESOLVED, That any amount of PPTRA relief not used within the County of Montgomery's Fiscal Year shall be carried forward and used to increase the funds available for personal property tax relief in the following Fiscal Year.

The vote on the foregoing resolution was as follows:

<u>AYE</u>	<u>NAY</u>	<u>ABSENT</u>
Gary D. Creed	None	James D. Politis
William H. Brown		
Mary W. Biggs		
Doug Marrs		
John A. Muffo		
Annette S. Perkins		

R-FY-11-18
RESOLUTION OF APPRECIATION
MONTGOMERY COUNTY ELECTORAL BOARD
JOHN S. NOWLIN

On a motion by William H. Brown, seconded by Gary D. Creed and carried unanimously,

WHEREAS, John S. Nowlin served Montgomery County citizens as a member of the Montgomery County Electoral Board from March 1, 2007 until February 28, 2010; and

WHEREAS, During his 3 years of service the total number of registered voters in Montgomery County has grown from 47,062 in 2007 to 54,597 in 2010; and

WHEREAS, John S. Nowlin assisted in the administration of 7 elections, changed polling places to meet the needs of our citizens, and oversaw the logic and accuracy testing plus loading of the ballot on our 115 DRE voting machines and our optical scan machine; and

WHEREAS, John S. Nowlin attended various seminars and workshops sponsored by the State Board of Elections concerning law changes, conducting Officers of Election training, the impact to localities of the Help America Vote Act, the Voting Rights Act, handling of campaign expense reports and contributions, and many other issues relating to the electoral process; and

WHEREAS, John S. Nowlin worked with the General Registrar, the Montgomery County Planning Department and the County Attorney with the changing of polling places and emergency precinct changes and assisted the other members of the Board in overseeing the largest election in the history of Montgomery County during the 2008 Presidential Election; and

WHEREAS, The Board of Supervisors fully recognizes the hard work, dedication, wisdom, and outstanding leadership ***John S. Nowlin*** demonstrated in his 3 years of service to the citizens of Montgomery County.

NOW, THEREFORE, BE IT RESOLVED, The Board of Supervisors of Montgomery County, Virginia, on behalf of the entire citizenship, expresses its appreciation and gratitude to ***John S. Nowlin*** for his outstanding dedication to the citizens of Montgomery County.

BE IT FURTHER RESOLVED, That the original of this resolution be presented to ***John S. Nowlin*** and that a copy be made a part of the official minutes of Montgomery County.

The vote on the foregoing resolution was as follows:

<u>AYE</u>	<u>NAY</u>	<u>ABSENT</u>
William H. Brown	None	James D. Politis
Mary W. Biggs		
Doug Marrs		
John A. Muffo		
Gary D. Creed		
Annette S. Perkins		

COUNTY ADMINISTRATOR'S REPORT

The County Administrator reported on the following:

- The Virginia Local Government Management Association (VLGMA) Board of Directors meeting is scheduled for August 30, 2010.
- A joint meeting with the School Board has been scheduled for Monday, August 30, 2010 at the Christiansburg Middle School.

BOARD OF SUPERVISORS' REPORTS

Supervisor Creed asked staff to look into the program where the county can elect to freeze real estate taxes on homes of property owners who reach the age of 65. This program would freeze the tax rate at age 65 and this would be the rate they pay as long as the person owned the home. There would be parameters put in place. He believes several states are implementing some type of tax freeze program.

The County Attorney commented that the Commonwealth of Virginia already allows localities to adopt a tax relief program for the elderly and disabled, and Montgomery County has such a program. The County Attorney explained that any other program would require General Assembly approval.

Supervisor Biggs reported the Library Board adopted their legislative priorities for 2011. Their main priority is no new cuts in state aid to the libraries.

Rural Development Funds - Supervisor Biggs questioned if Montgomery County qualifies for Rural Development Funds for construction of schools. She stated that Auburn High School is located in a rural area.

The County Administrator replied they are working on all angles to find funding, such as bonds, grants, etc. He wanted to make sure everyone understands that any type of grant or bond funding is not free money. The principal amount still needs to be paid back.

ADJOURNMENT

On a motion by Gary D. Creed, seconded by Mary W. Biggs and carried unanimously, the Board adjourned to Monday, August 30, 2010 at 6:00 p.m.

The meeting adjourned at 10:20 p.m.

APPROVED: _____ ATTEST: _____
Annette S. Perkins F. Craig Meadows
Chair, Board of Supervisors County Administrator