

**VIRGINIA:**

At a regular meeting of the Washington County Board of Supervisors held Tuesday, June 8, 2010, at 6:30 p.m., at the County Administration Building in Abingdon, Virginia the following were present:

**PRESENT:**

Dulcie M. Mumpower, Chair  
Odell Owens, Vice Chair  
Phillip B. McCall  
Nicole M. Price  
Kenneth O. Reynolds  
Joseph C. Straten  
Thomas G. Taylor

Mark K. Reeter, County Administrator  
Lucy E. Phillips, County Attorney  
Mark W. Seamon, Accounting Manager  
Naoma A. Norris, Recording Clerk

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**1. Call to Order**

The meeting was called to order by Ms. Dulcie M. Mumpower, Chair of the Board, who welcomed everyone in attendance.

**2. Invocation and Pledge of Allegiance**

Supervisor Odell Owens gave the Invocation and led the Pledge of Allegiance.

**3. Approval of Agenda**

*On motion of Mr. Reynolds, second by Mr. Owens, it was resolved to approve the agenda as presented.*

*The vote on this motion was as follows: (7-0)*

*Mr. McCall                   Aye*  
*Ms. Mumpower            Aye*  
*Mr. Owens                 Aye*  
*Ms. Price                 Aye*  
*Mr. Reynolds             Aye*  
*Mr. Straten               Aye*  
*Mr. Taylor                Aye*

**4. Consent Agenda:**

*On motion of Mr. McCall, second by Mr. Reynolds, the Board acted to approve items a and b of the Consent Agenda as set forth below.*

**a. Approval of Minutes:**

- 1. **May 25, 2010 Regular Meeting**

**b. Approval of Routine Financial Matters:**

- 1. **Payment of Bills - Month of May 2010**
- 2. **Request for revenue Refunds - Washington County Sheriff's Office - Animal Sterilization Fees**
- 3. **Budget Status Report - May 31, 2010**

**c. Award of Bids and Approval of Contracts:**

**No Bids or Contracts were presented to the Board.**

**d. Authorization of Routine Business Matters:**

**There were no Routine Business matters presented to the Board.**

*The vote on this motion was as follows: (7-0)*

<i>Mr. McCall</i>	<i>Aye</i>
<i>Ms. Mumpower</i>	<i>Aye</i>
<i>Mr. Owens</i>	<i>Aye</i>
<i>Ms. Price</i>	<i>Aye</i>
<i>Mr. Reynolds</i>	<i>Aye</i>
<i>Mr. Straten</i>	<i>Aye</i>
<i>Mr. Taylor</i>	<i>Aye</i>

**5. Public Hearings:**

**a. Request(s) for Rezoning:**

- 1. Wayne H. Helton, Property Tax Map #082-A-41B: Request to rezone approximately 2.57 acres of property located on the west side of State Route 910 (18301 Spring Lake Road) near the intersection of State Route 910 (Spring Lake Road) and State Route 19 (Porterfield Hwy.) from R-2 (Residential, General) to A-2 (Agricultural, General), Harrison Magisterial District, B-01 Election District

County Zoning and Subdivision Official Cathie Freeman provided the Board with an overview of the proceedings before the Planning Commission at their May 24, 2010 meeting in regards to the application of Wayne H. Helton to rezone property located on the west side of State Route 910 (18301 Spring Lake Road) near the intersection of State Route 910 (Spring Lake Road) and State Route 19 (Porterfield Hwy.)

from R-2 (Residential, General) to A-2 (Agricultural, General). Ms. Freeman explained that Mr. Helton would like to place a doublewide manufactured home on the property. It is unclear why this particular parcel was zoned R-2 because the surrounding properties are zoned agricultural. Staff asks for Board consideration of the rezoning request. Further, the Planning Commission unanimously recommended approval of the rezoning request.

Discussions ensued among the Board and Ms. Freeman.

Mr. Taylor inquired of the property remains in an R-2 zoning district would Mr. Helton be allowed to place a manufactured home on the property.

Ms. Freeman explained that double wide manufactured homes are not permitted in R-2 (Residential, General) district. Only modular homes are permitted.

Ms. Mumpower opened the public hearing and invited comments regarding the rezoning request.

Mr. Wayne Helton addressed the Board and explained there is a house currently on his property. He would like to tear down the house and place a three bedroom doublewide manufactured home on the property.

Discussions ensued among the Board and Mr. Helton.

Mr. Owens inquired if the doublewide home would be placed in the same location as the existing home.

Mr. Helton explained if there is enough room to the north of the septic system the doublewide will be placed in the same location.

Mr. Taylor asked Mr. Helton if he presently lives in the existing home.

Mr. Helton explained that his son lives in the house. The doublewide would be placed on the property as a home for his granddaughter.

There being no further comments, Ms. Mumpower declared the public hearing closed.

***On motion of Mr. Reynolds, second by Mr. McCall, the Board acted to following the recommendation of the Washington County Planning Commission and approve the request of Wayne H. Helton to rezone approximately 2.57 acres of property located on the west side of State Route 910 (18301 Spring Lake Road) near the intersection of State Route 910 (Spring Lake Road) and State Route 19 (Porterfield Hwy.) from R-2 (Residential, General) to A-2 (Agricultural, General), Harrison Magisterial District, B-01 Election District***

***The vote on this motion was as follows: (7-0)***

<b><i>Mr. McCall</i></b>	<b><i>Aye</i></b>
<b><i>Ms. Mumpower</i></b>	<b><i>Aye</i></b>
<b><i>Mr. Owens</i></b>	<b><i>Aye</i></b>
<b><i>Ms. Price</i></b>	<b><i>Aye</i></b>
<b><i>Mr. Reynolds</i></b>	<b><i>Aye</i></b>
<b><i>Mr. Straten</i></b>	<b><i>Aye</i></b>

*Mr. Taylor*                      *Aye*

b. **Request(s) for Special Exception Permit:**

1. Scott Willis on behalf of Ann Keys, Property Tax Map #178-A-18A: Request for a Special Exception Permit to operate a small business in general, more specifically a used car dealership with restoration services in an existing building, 20' X 40' on property located on the west side of State Route 630 (24188 Johnson Chapel Road) near the intersection of State Route 630 (Johnson Chapel Road) and State Route 633 (Reedy Creek Road) in an A-2 (Agricultural, General) zone, Tyler Magisterial District

Ms. Freeman addressed the Board and explained that a Special Exception Permit was granted in 1992 to the applicant, Mr. Scott Willis' father for a sawmill operation. The Board was provided with materials relating to that Special Exception Permit and the sawmill operation in their Agenda materials to provide history and reference. She explained that Mr. Willis now proposes to operate a used car dealership and restoration services on the property. If a Special Exception Permit is granted to Mr. Willis, the Virginia Department of Motor Vehicles (DMV) will require an office to be located on site with a telephone and that used vehicles are displayed. Ms. Freeman further explained that staff recommends special consideration be given to the Special Exception Permit that was issued in 1992 for the sawmill operation in relation to the aesthetics, noise and dust that caused a negative effect for the community. The sawmill is no longer in operation; however, staff feels strongly that the Board needs to be sensitive to these issues. With the proposed new business on the property, there are concerns with dust and noise associated with restoration of the vehicles. Ms. Freeman explained that opposition was expressed to the Planning Commission by Ms. Beth Hobbs, a neighboring property owner. The Planning Commission unanimously recommended the denial of the Special Exception Permit.

Ms. Mumpower opened the public hearing and invited comments regarding the request for Special Exception Permit.

Ms. Marilyn Willis addressed the Board explaining that Scott Willis is her son and Ann Keys is his fiancé. They both had obligations and are unable to attend the meeting to address the Board. Ms. Willis explained that her son recently moved back to the area and is trying to get established. In the current economy it is hard to find work. Her son has had dealings with trading and working on vehicles. His main interest for the proposed business will be to buy and sale vehicles on the Internet. She further explained that her son plans to sale a few cars at a time to build capital in his business. Ms. Willis stated that the proposed restoration work is just for personal vehicles. There is a garage and office building currently located on the property. The garage is used to work on personal vehicles. She explained that the DMV requires an office building and a certain number of vehicles be displayed on the property. If the business is successful and develops into a large car lot, a new site would be sought in Tennessee. Ms. Willis assured the Board there would be no problems created by the business. She stated that her son should not be penalized because of the past use of the property, and the Board should give consideration only to her son's business proposal. She asserted that her son had spoken with the Hobbs and was told they did not oppose the Special Exception Permit. Her son also talked with other neighbors who indicated they were not opposed.

Discussions ensued among the Board and Ms. Willis.

Mr. Straten inquired if the old sawmill structure would be used as the garage for vehicle restoration.

Ms. Willis explained the old sawmill was used for storage, and the garage is located behind her son's home.

Mr. Owens asked about the number of vehicles that would be parked on the property at one time.

Ms. Willis explained that DMV requires there be enough space for 15 vehicles. However, the current plans are for five or six vehicles to be parked at one time.

Mr. Taylor asked for an explanation about the employee referenced in the Agenda materials.

Ms. Willis explained the employee would be Ann Keys.

Mr. Taylor stated the materials reference an employee that would work on engines.

Ms. Willis explained that a friend of her son works on diesel engines but this work is done off-site. The work that would be done on-site will be limited to minor repairs on vehicles.

There being no further comments, Ms. Mumpower declared the public hearing closed.

Mr. McCall stated he understands the DMV's requirement for a certain amount of parking space; however, he asked if a restriction could be placed on the number of parking spaces and what activities could be done at the business.

Ms. Freeman explained restrictions could be placed on the garage/repairs and screening could be required. She further explained that concern should be given to the number of inoperable vehicles that would be parked on site.

Mr. Reynolds inquired if work would be done on vehicles other than ones owned by Mr. Willis.

Ms. Freeman explained that Mr. Willis indicated to her that work would be done on vehicles to get them ready for sale.

Mr. McCall expressed concerns about the dust that would be created from body work on vehicles.

***On motion of Mr. Taylor, second by Mr. Owens, the Board acted to follow the recommendation of the Washington County Planning Commission and deny the application of Scott Willis for a Special Exception Permit to operate a small business in general, more specifically a used car dealership with restoration services in an existing building, 20' X 40' on property located on the west side of State Route 630 (24188 Johnson Chapel Road) near the intersection of State Route 630 (Johnson Chapel Road) and State Route 633 (Reedy Creek Road) in an A-2 (Agricultural, General) zone, Tyler Magisterial District.***

***The vote on this motion was as follows: (7-0)***

<b><i>Mr. McCall</i></b>	<b><i>Aye</i></b>
<b><i>Ms. Mumpower</i></b>	<b><i>Aye</i></b>
<b><i>Mr. Owens</i></b>	<b><i>Aye</i></b>
<b><i>Ms. Price</i></b>	<b><i>Aye</i></b>
<b><i>Mr. Reynolds</i></b>	<b><i>Aye</i></b>

*Mr. Straten*            *Aye*  
*Mr. Taylor*            *Aye*

**6. General Business:**

**a. Actionable Items:**

**1. Presentation of Proposed County Purchase of Development Rights (PDR) Program and Consideration of Authorization of Public Hearing on Proposed PDR Program Ordinance**

Ms. Phillips addressed the Board and asked for consideration of a draft ordinance to establish a County PDR Program and authorization to advertise the ordinance for public hearing.

Ms. Phillips provided a review of the proposed PDR Program Ordinance. The proposed ordinance establishes a volunteer program where landowners have an option to sell to the County the right to develop their property. Landowners that participate in the PDR Program are given a conservation easement and can use their land for permitted uses within a conservation easement. The proposed ordinance establishes a purchase of development rights committee and outlines their powers and duties (Board of Supervisors shall appoint five voting members to this committee). The ordinance further details the eligibility criteria to participate in the PDR Program, ranking system, conservation easement terms and conditions, application and evaluation procedure, purchase of development rights procedure restriction on buy-back; extinguishment and exchange of easements and program funding. Ms. Phillips stated that funds to establish the PDR Program are being sought through the Virginia Tobacco Commission. The Board of Supervisors may be asked to provide funding annually to continue with the PDR Program but are under no obligation to do so.

Ms. Phillips next explained the proposed PDR Program Ordinance has been reviewed by the County Planning Commission and given their support. She noted that Meg Short with the Holston River Soil and Water Conservation District has been instrumental in development the proposed PDR Program and is present to answer questions.

***On motion of Mr. Taylor, second by Ms. Price, the Board acted to authorize the County Attorney to schedule a public hearing on the draft County PDR Program Ordinance.***

***The vote on this motion was as follows: (7-0)***

*Mr. McCall*            *Aye*  
*Ms. Mumpower*        *Aye*  
*Mr. Owens*            *Aye*  
*Ms. Price*             *Aye*  
*Mr. Reynolds*         *Aye*  
*Mr. Straten*           *Aye*  
*Mr. Taylor*            *Aye*

## **2. Consideration of FY 2010-11 Virginia Department of Transportation (VDOT) Revenue Sharing Program Request**

Assistant County Administrator Christy Parker and VDOT Bristol District Engineer Marty Holloway (who is now Washington County's VDOT representative) appeared before the Board to present a request for the County to participate in the FY 2010-11 VDOT Revenue Sharing Program.

Mr. Holloway addressed the Board and explained as part of the VDOT consolidation, he has been assigned to be Washington County's VDOT representative. Mr. Steve Buston also serves as a District Engineer and has been assigned to other localities within the Bristol District. He noted that the Bristol District Office now covers everything in the District except maintenance, construction and purchasing which are handled through the residency offices. Mr. Holloway stated that he looks forward to working with Washington County Officials.

At this time, Mr. Holloway provided a description of the VDOT Revenue Sharing Program. He explained the Revenue Sharing Program was recently opened to towns with a population of 3,500 or above that maintains their streets. This has made the competition for revenue sharing funds tough. In FY 2010-11, there is \$15,000,000 of revenue sharing funds available to award. Mr. Holloway reviewed the three tier award process and stated that Washington County meets the Tier 1 criteria (Tier 1 projects are those that will be administered by the city, county or town) and can submit a request to VDOT for up to \$1,000,000 which is the maximum amount.

Ms. Parker addressed the Board and explained that Washington County has identified the Oak Park: Center for Business & Industry access road as an eligible project for the VDOT Revenue Sharing Program. The design for the proposed new alternate access road to Oak Park which will connect U. S. Highway 11 with Oak Park Drive has now been completed. Currently the County is pursuing grant funds to help cover the cost of construction of the road and utilities. The estimated cost for the construction of the access road is \$2,756,577. The road construction project would be locally administered by the Washington County Industrial Development Authority. Ms. Parker further explained the VDOT Revenue Sharing Program offers funds to localities for new road construction on a dollar-for-dollar matching basis. Washington County has already expended \$2,400,000 in property acquisition and design costs which has satisfied the matching funds requirement for the Revenue Sharing Program. After consultation with VDOT Bristol District Engineer Marty Holloway, the County is encouraged to pursue applying for \$1,000,000 in Revenue Sharing Funds in FY 2010-11 for Phase I of construction and another \$1,000,000 in Revenue Sharing Funds in FY 2011-12 for Phase II. She stated that an additional \$450,000 could potentially be obtained through VDOT's Economic Development Access Road Program through a separate application.

Ms. Parker next explained the Board is asked to adopt the proposed Resolution that authorizes application for \$1,000,000 in VDOT Revenue Sharing funds for FY 2010-11 for Phase I of the Oak Park Alternate Access Road Project.

Discussions ensued among the Board.

Ms. Mumpower stated the Oak Park Alternate Access Road Project has been worked on for several years. The access road is very much needed.

***On motion of Mr. Straten, second by Mr. Owens, the Board adopted the following Resolution seeking \$1,000,000 in VDOT Revenue Sharing Funds for FY 2010-11 for Phase I of Oak Park Alternate***

*Access Road Project and to authorize Mark Reeter, County Administrator, to execute project administration for any approved revenue sharing projects:*

**RESOLUTION 2010-18**

*WHEREAS, the Washington County Board of Supervisors desires to submit an application for an allocation of funds of \$1,000,000 through the Virginia Department of Transportation Fiscal Year 2010-2011, Revenue Sharing Program; and,*

*WHEREAS, the \$1,000,000 Revenue Sharing funds are requested to fund PHASE I of construction on approximately 1 mile of road between U.S. Route 11 and Oak Park Drive in the Oak Park Center for Business and Industry; and,*

*WHEREAS, the Washington County Board of Supervisors intends to submit an application for an additional \$1,000,000 million for PHASE II construction through the Virginia Department of Transportation Fiscal Year 2011-2012, Revenue Sharing Program for the same road project; and,*

*WHEREAS, the total cost for this project is approximately \$5,176,577 for Preliminary Engineering, Rights-of-Way and Construction; and,*

*WHEREAS, the Washington County Board of Supervisors has provided a local match for this project of approximately \$2,420,000 million dollars for design and land acquisition and will be locally administering this project through its Industrial Development Authority; and,*

*WHEREAS, this alternate access road will address significant safety issues on Westinghouse Road and will improve the marketability and suitability of Oak Park for industry locations; and ,*

*WHEREAS, the proposed road will provide an alternate means of access and will serve as the primary access road to Oak Park Center for Business and Industry;*

*NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of Washington County, Virginia that the Board hereby support this application for an allocation of \$1,000,000 through the Virginia Department of Transportation Year 2010-11, Revenue Sharing Program.*

*BE IT FURTHER RESOLVED that the Board hereby grants authority for the County Administrator to execute project administration agreements for any approved revenue sharing projects.*

*The vote on this motion was as follows: (7-0)*

- Mr. McCall                    Aye*
- Ms. Mumpower            Aye*
- Mr. Owens                    Aye*
- Ms. Price                    Aye*
- Mr. Reynolds              Aye*
- Mr. Straten                 Aye*
- Mr. Taylor                  Aye*

**3. Consideration of Final Design for Glade Spring Branch Public Library and Authorization to Bid Project Construction**

Washington County Public Library Director Charlotte Parsons addressed the Board and provided a detailed presentation on the final design plans for the Glade Spring Branch Public Library that will be located in the former Perry Building in Glade Spring, Virginia. Accompanying Ms. Parsons and adding to her presentation was Ms. Julia Schwab with Beeson and Beeson Architects.

Ms. Parsons acknowledged Mr. Lee Coburn, Mayor-Elect for the Town of Glade Spring and a group of ladies that worked to raise money for library improvements in Glade Spring prior to obtaining the Perry Building. These ladies were instrumental in talking the owners of the building into giving it to the Town of Glade Spring.

Discussions ensued among the Board and Ms. Parsons.

*On motion of Mr. Taylor, second by Ms. Price, the Board acted to authorize construction bids for the Glade Spring Branch Library Project.*

*The vote on this motion was as follows: (7-0)*

<i>Mr. McCall</i>	<i>Aye</i>
<i>Ms. Mumpower</i>	<i>Aye</i>
<i>Mr. Owens</i>	<i>Aye</i>
<i>Ms. Price</i>	<i>Aye</i>
<i>Mr. Reynolds</i>	<i>Aye</i>
<i>Mr. Straten</i>	<i>Aye</i>
<i>Mr. Taylor</i>	<i>Aye</i>

Ms. Mumpower thanked Lee Coburn and the other citizens from Glade Spring for attending the meeting.

Ms. Parsons thanked the Board of Supervisors for their financial support.

**4. Consideration of Adoption of Resolution Authorizing Issuance of General Obligation School Bonds to Finance Capital Projects for School Purposes**

Mr. Reeter addressed the Board and explained the deadline to apply for Qualified School Construction Bonds (QSCB) is June 11, 2010. The Board needs to decide on the total amount of bond proceeds to make available to the School Board for the Phase II Construction and Neff Center projects for permanent financing. Mr. Reeter further explained if the Board elects to only authorize borrowing the minimal amount needed to complete the slate of projects that comprise the Phase II Construction and Neff Center projects, he recommends the Board authorize an \$8,200,000 bond issuance. This would allow the School Board to have access to \$8,000,000 in net proceeds. Based on correspondence from the School Board, the identified projects to-date is projected to cost a total of \$7,672,858. Likewise, the Board could make a decision to follow the recommendation of the School Board and borrow the entire amount that was authorized by the Virginia Public School Authority which is \$10,110,035. The QSCB bonds are offered at a zero percent interest rate which is a federally subsidized interest rate. The County pays the interest and receives a rebate from the federal government every time a bond payment is made. This is for a period of 16 years. The QSCB Program is better than the Literary Loan Fund Program commonly used for school capital projects. With the Literary Loan Fund Program, the State buys down the interest rate to

three percent. Mr. Reeter explained there are restrictions and limitations on the use of the QSCB bond proceeds which have been identified in correspondence from County Bond Counsel Dan Siegel which merit consideration by the Board in making the decision on how much to authorize borrowing.

Mr. Reeter reviewed the proposed Resolution and Bond Sale Agreement. These are important documents that must include the amount of the borrowing (\$8,200,000, or the maximum amount of \$10,110,035) and require approval by the Board. He next reviewed a Resolution adopted by the School Board at the May 6 joint School Board and Board of Supervisors Meeting asking the Board to authorize borrowing the maximum amount. In Attachment 3 of the Agenda material (correspondence from Dr. Alan Lee), it shows the projected costs of Phase II Construction and Neff Center projects. Also, the School Board has documented other projected facilities needs across the school system over the next ten years and Change Orders to-date on the Phase II and Neff Center projects. The original bids for Phase II and Neff Center projects were \$6,163,208. The Change Orders authorized to date bring the total project costs to \$7,672,858. Mr. Reeter explained that Attachment 4 is an important letter from County Bond Counsel Dan Siegel that answers questions about the use of QSCB proceeds. In some cases, surplus QSCB bond proceeds could be expended to address the other needs (listed in Attachment 3) provided that the particular school was originally part of the Phase II and Neff Center projects. Other identified needs listed in Attachment 3 involve schools not part of the current set of projects, and therefore surplus QSCB proceeds could not be expended on these schools. Also of note is that all QSCB proceeds must be expended within three years of the date of issuance of the bonds. Proceeds remaining unexpended at the end of this period will automatically be used to pay debt-service on the outstanding balance. Mr. Reeter next explained that Davenport & Company has updated its Plan of Finance for Phase II Schools and Neff Center that was presented at the May 6 joint Board of Supervisors and School Board meeting to present two possible borrowing scenarios and their resulting debt-service requirements. (Attachment 5 in the Agenda material). Mr. Reeter noted the Board should pay particular attention to pages 7 and 8 of the revised presentation. He explained page 7 shows the estimated impact of the original Plan of Finance and assumes the borrowing of \$10,200,000. If everything holds steady there would be no need for additional revenue to service debt by borrowing the lesser amount of \$8,200,000. Mr. Reeter stated these are projections only.

In conclusion, Mr. Reeter stated that Washington County School Superintendent Dr. Alan Lee and Director of Finance Melissa Caudill were attending the meeting to answer questions from the Board.

Lengthy discussions ensued among the Board concerning the use of excess QSCB Bond proceeds should the Board authorize borrowing the maximum amount.

Washington County School Superintendent Dr. Alan Lee addressed the Board and explained that in his recent correspondence to the County; projects are listed that need attention over the next several years. Dr. Lee stated the additional list of projects protect the capital investment made in the school system. He explained several of the projects include roof replacements. The State eliminated funding to upgrade and maintain facilities that equates to about \$1,000,000. The School System has about \$2,000,000 in immediate needs. Dr. Lee further explained he was advised the Abingdon High School and Neff Center roofs are in bad condition. He stated it is his hope that the Board concludes it beneficial to the schools to be allowed to continue to maintain their buildings.

Continued lengthy discussions ensued among the Board concerning Davenport & Company's revised Plan of Finance for the Phase II Construction and Neff Center Projects and about the County's current debt service obligations.

At this time, the following action was proposed:

***A motion was made by Mr. Taylor with a second by Ms. Price to adopt the Resolution as presented to authorize the issuance of \$10,110,035 in Qualified School Construction Bonds.***

Substantial discussions ensued concerning the proposed action.

Ms. Price stated the Board originally approved a Resolution to borrow \$10,300,000 in Literary Loan funds at three percent, and now the County can get the same amount of money at zero percent interest with no penalty if the funds are not used. She further stated if the Board decided to do some of the additional school projects that have an immediate need; the County would not incur additional borrowing costs.

Mr. Taylor commented that any unspent QSCB bond funds could be held by the Board for future requests. He supports having access to money at zero percent interest when there is a major capital project need. He would like the energy efficient needs at Holston High School and Glade Spring Middle School to be given priority. This would result in energy savings.

Mr. Straten asked Mr. Reeter if debt service payments are made based on the total QSCB issuance or just the amount used.

Mr. Reeter said the debt service payments are based upon the full amount of QSCB issuance.

Mr. Straten expressed concern about borrowing the \$10,110,035 when it is thought that \$8,200,000 would be adequate to get the Phase II Construction and Neff Center projects completed.

Mr. Owens raised questions concerning the use of excess QSCB funds on school projects should the \$10,110,035 be borrowed. Lengthy discussions ensued concerning Mr. Owens' inquiry.

Mr. Reynolds expressed concern about borrowing the \$10,110,035 if this amount is not needed to complete the Phase II Construction and Neff Center projects because it goes against the County's indebtedness. It could affect the County's ability to fund future projects and planning for future school budgets. He stated that the Board supports the School System.

Ms. Mumpower stated the Board members had raised many good points for borrowing either the \$10,110,035 or the \$8,200,000 amount. She knows borrowing money at zero percent interest is a good thing; however, additional money will be required to make higher debt service payments. Ms. Mumpower further commented the budget process next year will be very difficult, and the County will be faced with the same financial problems as seen this year.

Further discussion ensued.

The following substitute motion was offered:

***A substitute motion was made by Mr. Owens, second by Mr. Straten to adopt the Resolution authorizing issuance of \$8,200,000 in General Obligation School Bonds as follows:***

**RESOLUTION 2010-17**

**AUTHORIZING THE ISSUANCE OF A NOT TO EXCEED \$8,200,000 GENERAL OBLIGATION SCHOOL BOND, SERIES 2010, OF THE COUNTY OF WASHINGTON, VIRGINIA, TO BE SOLD TO THE VIRGINIA PUBLIC SCHOOL AUTHORITY AND PROVIDING FOR THE FORM AND DETAILS THEREOF**

*WHEREAS, the Board of Supervisors (the "Board") of the County of Washington, Virginia (the "County"), has determined that it is necessary and expedient to borrow an amount not to exceed \$8,200,000 and to issue its general obligation school bond (as more specifically defined below, the "Local School Bond") for the purpose of financing first priority waiting list projects and energy efficiency improvements and renovations (together, the "Projects"), each of which constitutes a capital project for school purposes; and*

*WHEREAS, the County held a public hearing, duly noticed, on May 6, 2010, on the issuance of the Local School Bond in accordance with the requirements of Section 15.2-2606, Code of Virginia 1950, as amended (the "Virginia Code"); and*

*WHEREAS, the School Board of the County has, by resolution, requested the Board to authorize the issuance of the Local School Bond and consented to the issuance of the Local School Bond; and*

*WHEREAS, the Virginia Public School Authority ("VPSA") has offered to purchase the Local School Bond along with the local school bonds of certain other localities with a portion of the proceeds of certain bonds to be issued by VPSA in the spring of 2010 (the "VPSA Bonds"); and*

*WHEREAS, VPSA intends to issue the VPSA Bonds as "qualified school construction bonds" (referred to below as "QSCBs") within the meaning of Section 54F of the Internal Revenue Code of 1986, as amended (the "Tax Code"), which section was added to the Tax Code by the American Recovery and Reinvestment Act of 2009 (Pub. L. No. 111-5, 123 Stat. 355), enacted on February 17, 2009; and*

*WHEREAS, VPSA intends to elect to treat the VPSA Bonds as "specified tax credit bonds" under Section 6431 of the Tax Code, as amended by the Hiring Incentives to Restore Employment Act (Pub. L. No. 111-147, 123 Stat. 301), enacted on March 18, 2010, which status enables an issuer of a QSCB to receive a direct payment of a refundable credit in lieu of providing a tax credit to the purchaser or holder of the QSCB; and*

*WHEREAS, the refundable credit payable with respect to each interest payment date will be equal to the lesser of (i) the amount of interest payable under the QSCB on such date or (ii) the amount of interest which would have been payable under the QSCB on such date if such interest were determined at the applicable credit rate determined under Section 54A(b)(3) of the Tax Code (that is, the rate used in computing the amount of tax credit that could be claimed by the QSCB holder absent the "specified tax credit bond" refundable credit election); and*

*WHEREAS, subject to the terms and conditions set forth or referred to below, VPSA will transfer to the County the allocable portion of the refundable credit received by VPSA with respect to the VPSA Bonds; and*

*WHEREAS, the allocation of QSCB volume cap pursuant to which VPSA will issue the VPSA Bonds was made by Executive Order 110 (2010) issued by the Governor of the Commonwealth of Virginia on January 13, 2010 (the "Executive Order"), to finance the Projects along with a number of other projects on the first priority waiting list or selected through a competitive evaluation process administered by the Virginia Department of Education and the Virginia Department of Mines, Minerals and Energy announced by letter of the Governor of the Commonwealth of Virginia dated October 14, 2009; and*

*WHEREAS, the Bond Sale Agreement (as defined below) shall indicate that \$8,200,000 is the amount of proceeds requested (the "Proceeds Requested") by the County from the VPSA in connection with the sale of the Local School Bond; and*

*WHEREAS, VPSA's objective is to pay the County a purchase price for the Local School Bond which, in VPSA's judgment, reflects the Local School Bond's market value (the "VPSA Purchase Price Objective"), taking consideration of such factors as the purchase price to be received by VPSA the VPSA Bonds, the underwriters' discount and the other issuance costs of the VPSA Bonds and other market conditions relating to the sale of the VPSA Bonds; and*

*WHEREAS, such factors may result in the Local School Bond having a purchase price other than par and consequently (i) the County may have to issue the Local School Bond in a principal amount that is greater than or less than the Proceeds Requested in order to receive an amount of proceeds that is substantially equal to the Proceeds Requested, or (ii) if the maximum authorized principal amount of the Local School Bond set forth in Section 1 of this Resolution does not exceed the Proceeds Requested by at least the amount of any discount, the purchase price to be paid to the County, given the VPSA Purchase Price Objective and market conditions, will be less than the Proceeds Requested.*

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF WASHINGTON, VIRGINIA:**

1. *Authorization of Local School Bond and Use of Proceeds.* *The Board hereby determines that it is advisable to contract a debt and issue and sell its general obligation school bond in a principal amount not to exceed \$8,200,000 (the "Local School Bond") for the purpose of financing the Projects and the issuance costs of the Local School Bond. The Board hereby authorizes the issuance and sale of the Local School Bond in the form and upon the terms established pursuant to this Resolution and the Bond Sale Agreement.*

2. *Sale of the Local School Bond.* *It is determined to be in the best interest of the County to accept the offer of VPSA to purchase from the County, and to sell to VPSA, the Local School Bond at a price, determined by VPSA to be fair and accepted by the Chairman of the Board and the County Administrator, or either of them. Given the VPSA Purchase Price Objective and market conditions, it may become necessary to sell the Local School Bond in a principal amount greater than the Proceeds Requested. If the limitation on the maximum principal amount on the Local School Bond set forth in Section 1 of this Resolution restricts VPSA's ability to generate the Proceeds Requested, the Local School Bond may be sold for a purchase price of not lower than 90% of the Proceeds Requested. The Chairman of the Board, the County Administrator, or either of them and such other officer or officers of the County as either may designate are hereby authorized and directed to enter into a Bond Sale Agreement with VPSA providing for the sale of the Local School Bond to VPSA. The agreement shall*

be in substantially the form submitted to the Board at this meeting, which form is hereby approved (the "Bond Sale Agreement").

3. Details of the Local School Bond. *The Local School Bond shall be dated the date of its issuance and delivery; shall be designated "General Obligation School Bond, Series 2010;" shall bear interest from the date of delivery thereof payable quarterly or semi-annually on dates specified by VPSA (each, an "Interest Payment Date") at the rates established in accordance with Section 4 of this Resolution; and shall mature annually in the years (each a "Principal Payment Date") and in the amounts (the "Principal Installments") determined by the County Administrator, subject to the provisions of Section 4 of this Resolution.*

4. Interest Rates and Principal Installments. *The County Administrator is hereby authorized and directed to accept the interest rates on the Bonds established by VPSA, provided that each interest rate may be up to five one-hundredths of one percent (0.05%) over the interest rate to be paid by VPSA for the corresponding principal payment date of the VPSA Bonds, a portion of the proceeds of which will be used to purchase the Bonds, to the extent required by VPSA (the "Annual Administrative Fee"), and provided further that the true interest cost of the Bonds does not exceed seven and a half percent (7.50%) per annum. The Interest Payment Dates and the Principal Installments may be specified by VPSA. The County Administrator is hereby authorized and directed to accept the final Interest Payment Dates and the Principal Installments at the request of VPSA based on the final term to maturity of the VPSA Bonds, requirements imposed on VPSA by the nationally-recognized rating agencies and the final principal amount of the Local School Bond; provided, however, that the principal amount of the Local School Bond shall not exceed the amount authorized by this Resolution and the final maturity of the Local School Bond shall be no later than the earlier of December 31, 2029 and the latest maturity date permitted under Section 54A of the Tax Code. The execution and delivery of the Local School Bond as described in Section 9 hereof shall conclusively evidence the final Principal Installments as having been accepted by the County Administrator as authorized by this Resolution.*

5. Acknowledgement of Disclaimer. *The County acknowledges that the interest rate on the Local School Bond will be set at the level necessary to pay the interest on the allocable portion of the VPSA Bonds plus the Annual Administrative Fee, if any, and that the County will be obligated to pay interest on the Local School Bond at the stated taxable rate thereon regardless of the elimination or reduction of the refundable credit to be received by VPSA due to (i) any amendments by Congress to Sections 54A, 54F or 6431 or any other applicable sections of the Tax Code, (ii) any guidance or changes to guidance provided by the U.S. Department of Treasury or the Internal Revenue Service, or (iii) any action or omission by VPSA, the County or any other locality selling local school bonds to VPSA in connection with the VPSA Bonds that causes the VPSA Bonds to lose their status as QSCBs and/or specified tax credit bonds in whole or in part. It is also acknowledged that the County has the right to affect an extraordinary optional redemption of the Local School Bond in whole or in part upon the occurrence of any of these events as provided in the form of Local School Bond.*

6. Certain Investment Earnings. *The Board hereby acknowledges that VPSA will (i) issue the VPSA Bonds with multiple maturities or with a single "bullet" maturity, in either case, with a final maturity date on or shortly before the latest maturity date permitted for the VPSA Bonds under Section 54A of the Tax Code and (ii) invest the Principal Installments for the benefit of the County until they are applied to pay the principal of the VPSA Bonds and (iii) either remit the investment earnings periodically to the County or credit the investment earnings against the County's obligation to make Principal Installments, at the option of VPSA. The Board further acknowledges that VPSA may*

cause a portion of such earnings to be deposited into a reserve fund or account to be applied by VPSA for use to pay the costs, fees and expenses described in Section 14 below. Any balance in such reserve fund or account attributable to investment earnings on the County's Principal Installments as reasonably determined by VPSA will be remitted or credited to the County on the final maturity date of the VPSA Bonds.

7. Form of the Local School Bond. The Local School Bond shall be initially in the form of a single, temporary typewritten bond substantially in the form attached hereto as Exhibit A.

8. Payment; Paying Agent and Bond Registrar. The following provisions shall apply to the Local School Bond:

(a) For as long as VPSA is the registered owner of the Local School Bond, all payments of principal of and interest, if any, and premium, if any, on the Local School Bond shall be made in immediately available funds to, or at the direction of, VPSA at, or before 11:00 a.m. on the applicable Principal Payment Date or date fixed for prepayment or redemption, or if such date is not a business day for Virginia banks or for the Commonwealth of Virginia, then at or before 11:00 a.m. on the business day next succeeding such Principal Payment Date or date fixed for payment, prepayment or redemption.

(b) The Bond Registrar and Paying Agent for the Local School Bond shall be the banking institution selected by VPSA for such purposes.

9. Prepayment or Redemption. The Principal Installments of the Local School Bond may be subject to optional prepayment or redemption prior to their stated maturities as determined by VPSA. The Principal Installments of the Local School Bond will be subject to extraordinary mandatory redemption (i) if certain proceeds of the Local School Bond have not been spent within three years after the date of its issuance and delivery (which three year period may be extended by the U.S. Secretary of the Treasury or his delegate), (ii) due to a loss of "qualified tax credit bond" and "qualified school construction bond" status of the VPSA Bonds corresponding to the Local School Bond under Sections 54A and 54F of the Tax Code, and (iii) if due to (a) any amendments by Congress to Sections 54A, 54F or 6431 or any other applicable sections of the Tax Code or (b) any guidance or changes to guidance provided by the U.S. Department of Treasury or the Internal Revenue Service, there is a reduction or elimination of the direct payment of the refundable credit to be received by VPSA with respect to the VPSA Bonds. The Principal Installments of the Local School Board shall be redeemed at the redemption prices and upon the other terms set forth in the Local School Bond.

10. Execution of the Local School Bond. The Chairman or Vice Chairman and the Clerk or any Deputy Clerk of the Board are authorized and directed to execute and deliver the Local School Bond and to affix the seal of the County thereto.

11. Pledge of Full Faith and Credit. For the prompt payment of the principal of and interest, if any, and premium, if any, on the Local School Bond as the same shall become due, the full faith and credit of the County are hereby irrevocably pledged, and in each year while any of the Local School Bond shall be outstanding there shall be levied and collected in accordance with law an annual ad valorem tax upon all taxable property in the County subject to local taxation sufficient in amount to provide for the payment of the principal of and interest, if any, and premium, if any, on the Local School Bond as such principal and interest, if any, and premium, if any, shall become due, which tax shall be without limitation as to rate or amount and in addition to all other taxes authorized to be levied

*in the County to the extent other funds of the County are not lawfully available and appropriated for such purpose.*

12. *Use of Proceeds Certificate and Tax Compliance Agreement.* *The Chairman of the Board, the County Administrator and such other officer or officers of the County as either may designate are hereby authorized and directed to execute and deliver on behalf of the County a Use of Proceeds Certificate and Tax Compliance Agreement (the "Tax Compliance Agreement") setting forth the expected use and investment of the proceeds of the Local School Bond and containing such covenants as may be necessary in order to show the compliance of the VPSA Bonds with the provisions of the Tax Code and applicable regulations relating to the qualification of the VPSA Bonds as "qualified tax credit bonds," "qualified school construction bonds" and "specified tax credit bonds" under Sections 54A, 54F and 6431 of the Tax Code. The Board covenants on behalf of the County that (i) the proceeds from the issuance and sale of the Local School Bond will be invested and expended as set forth in the Tax Compliance Agreement and that the County shall comply with the other covenants and representations contained therein and (ii) the County shall comply with the provisions of the Tax Code so that the VPSA Bonds will not lose their status as "qualified tax credit bonds," "qualified school construction bonds" and "specified tax credit bonds" under Sections 54A, 54F and 6431 of the Tax Code.*

13. *State Non-Arbitrage Program; Proceeds Agreement.* *The Board hereby determines that it is in the best interests of the County to authorize and direct the County Treasurer or Director of Finance to participate in the State Non-Arbitrage Program in connection with the Local School Bond. The Chairman of the Board, the County Administrator and such officer or officers of the County as either may designate are hereby authorized and directed to execute and deliver a Proceeds Agreement with respect to the deposit and investment of proceeds of the Local School Bond by and among the County, the other participants in the sale of the VPSA Bonds, VPSA, the investment manager and the depository, substantially in the form submitted to the Board at this meeting, which form is hereby approved.*

14. *Continuing Disclosure Agreement.* *The Chairman of the Board, the County Administrator and such other officer or officers of the County as either may designate are hereby authorized and directed to execute a Continuing Disclosure Agreement, as set forth in Appendix F to the Bond Sale Agreement, setting forth the reports and notices to be filed by the County and containing such covenants as may be necessary in order to show compliance with the provisions of the Securities and Exchange Commission Rule 15c2-12, under the Securities Exchange Act of 1934, as amended, and directed to make all filings required by Section 3 of the Bond Sale Agreement should the County be determined by the VPSA to be a MOP (as defined in the Continuing Disclosure Agreement).*

15. *Fees, Costs and Expenses.* *The County agrees to pay the following fees, costs and expenses incurred by VPSA in connection with its purchase and carrying of the Local School Bond within thirty days after receipt by the County Administrator of a written bill therefore:*

(A) *The County's allocable share of the fees, costs and expenses of the trustee, paying agent and bond registrar under the indenture pursuant to which VPSA will issue the VPSA Bonds and the County's allocable share of any fees, costs and expenses payable to third parties in connection with such indenture or VPSA's School Tax Credit Bond Program, as determined by VPSA; and*

*(B) To the extent permitted by law, the reasonable fees, costs and expenses, including reasonable attorneys' fees, if any, incurred by VPSA in connection with any false representation or certification or covenant default by the County or any County or School Board official, employee, agent or contractor under the Local School Bond, the Continuing Disclosure Agreement, the Tax Compliance Agreement, the Proceeds Agreement and/or any document, certificate or instrument associated therewith (collectively, the "County Documents"), or in connection with any extraordinary mandatory redemption of the Local School Bond as described in Section 8 above and the corresponding VPSA Bonds, any amendment to or discretionary action that VPSA makes or undertakes at the request of the County under any of the County Documents or any other document related to the VPSA Bonds.*

16. Filing of Resolution. *The appropriate officers or agents of the County are hereby authorized and directed to cause a certified copy of this Resolution to be filed with the Circuit Court of the County.*

17. Election to Proceed under Public Finance Act. *In accordance with Section 15.2-2601 of the Virginia Code, the Board elects to issue the Local School Bond pursuant to the provisions of the Public Finance Act of 1991, Chapter 26 of Title 15.2 of the Virginia Code.*

18. Further Actions. *The members of the Board and all officers, employees and agents of the County are hereby authorized to take such action as they or any one of them may consider necessary or desirable in connection with the issuance and sale of the Local School Bond and any such action previously taken is hereby ratified and confirmed.*

19. Effective Date. *This Resolution shall take effect immediately.*

*The vote on this motion was as follows: (5-2)*

<i>Mr. McCall</i>	<i>Aye</i>
<i>Ms. Mumpower</i>	<i>Aye</i>
<i>Mr. Owens</i>	<i>Aye</i>
<i>Ms. Price</i>	<i>Nay</i>
<i>Mr. Reynolds</i>	<i>Aye</i>
<i>Mr. Straten</i>	<i>Aye</i>
<i>Mr. Taylor</i>	<i>Nay</i>

The primary motion failed.

*Scrivener's Note: The Attachments referenced above is included as Minutes Exhibits Item 2010-06-08-A.*

**5. Consideration of Adoption of County Operating Budget for Fiscal Year 2010-2011**

Mr. Seamon addressed the Board and explained on March 23, 2010, the Board adopted a Resolution that established the real estate tax rate at \$0.58. Adoption of the County Operating Budget for FY 2010-2011 will set the Personal Property and Machinery and Tools tax rate at \$1.55. The Personal Property tax rate pertaining to motor vehicles owned by volunteer rescue squad members or volunteer fire department

members will be set at \$0.05. Appropriation of the County Operating Budget is scheduled for the Board's June 22 meeting to appropriate funds beginning July 1.

*On motion of Mr. Owens, second by Mr. McCall, the Board acted to adopt the following Resolution:*

**RESOLUTION 2010-19  
ADOPTION OF COUNTY OPERATING BUDGET FOR FISCAL YEAR 2010-2011  
AND  
ESTABLISHMENT OF VARIOUS TAX RATES  
FOR  
FISCAL YEAR 2010-2011**

*WHEREAS, the Board of Supervisors of the County of Washington, Virginia, has received budget requests from the County's officers and heads of departments, offices, divisions, boards, commissions, and agencies for preparation of the budget for fiscal year 2010-2011; and*

*WHEREAS, the Board has published notice of the proposed budget based on such requests, held a public hearing on the proposal, and considered the proposed budget in terms of the public health, safety, and welfare; and*

*WHEREAS, the Personal Property Tax Relief Act of 1998, Va. Code §§ 58.1-3523 et seq., was 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, to provide that the Commonwealth would appropriate to the County 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, and these legislative enactments required the County to provide for the computation and allocation of personal property tax relief in an amount estimated to exhaust the funds each fiscal year; and*

*WHEREAS, pursuant to Resolution 2010- 13 adopted by the Board on March 23, 2010, a County-wide unit levy for general County purposes and school purposes of fifty-eight cents (\$0.58) per one hundred dollars (\$100.00) of assessed valuation of all taxable real estate, mobile home and public utilities at one hundred percent (100%) fair market value, excluding real estate devoted to agricultural, horticultural, forest and open space uses, as defined in Code of Virginia 58.1-3230, pursuant to Washington County Code 58-106; and a County-wide unit levy for general County purposes and school purposes of fifty-eight cents (\$0.58) per one hundred dollars (\$100.00) of assessed valuation of all taxable real estate devoted to agricultural, horticultural, forest and open space uses, as defined in Code of Virginia 58.1-3230, pursuant to Washington County Code 58-106 has been established for Tax Year 2010 of Fiscal Year 2010 - 2011, and*

*WHEREAS, the Commissioner of Revenue recommended to the Board a personal property tax relief schedule that was anticipated to exhaust Personal Property Tax Relief Act funds that the Commonwealth has allocated for Washington County for fiscal year 2010-2011.*

*NOW, THEREFORE, IT IS HEREBY RESOLVED by the Board of Supervisors of Washington County, Virginia that the unit tax levies for fiscal year 2010-2011 are hereby set as follows:*

*A County-wide unit levy for general County purposes and school purposes of one dollar, fifty-five cents (\$1.55) per one hundred dollars (\$100.00) of assessed valuation of taxable tangible personal property at one hundred percent (100%) fair market value,*

*excluding that which is listed in Section 58.1-3506(A)(13) of the Code of Virginia, as amended, pertaining to motor vehicles owned by volunteer rescue squad members or volunteer fire department members and subject to the terms of the Percentage of Personal Property Tax Relief set out below.*

*A County-wide unit levy for general County purposes and school purposes of five cents (\$.05) per one hundred dollars (\$100.00) of assessed valuation of taxable tangible personal property at one hundred percent (100%) fair market value listed in Section 58.1-3506(A)(13) of the Code of Virginia, as amended, pertaining to motor vehicles owned by volunteer rescue squad members or volunteer fire department members.*

*A County-wide unit levy for general County purposes and school purposes of one dollar, fifty-five cents (\$1.55) per one hundred dollars (\$100.00) of assessed valuation of taxable machinery and tools.*

***IT IS FURTHER RESOLVED, pursuant to the Personal Property Tax Relief Act and its amendments pursuant to the above-referenced Acts of Assembly, that qualifying vehicles obtaining situs within the County during tax year 2010, shall receive personal property tax relief in the following manner:***

- 1. Personal use vehicles valued at \$1,000 or less will be eligible for 100% tax relief;***
- 2. Personal use vehicles valued at \$1,001 to \$20,000 will be eligible for 57% tax relief;***
- 3. Personal use vehicles valued at \$20,001 or more shall receive 57% tax relief only on the first \$20,000 of value; and***
- 4. All other vehicles that do not meet the definition of “qualifying” (business use vehicles, farm use vehicles, motor homes, etc.) will not be eligible for any form of tax relief under this program.***

***IT IS FURTHER RESOLVED that the fiscal year 2010-2011 revenue and expenditures budgets are adopted at \$121,705,745 and the individual agency and departmental budgets are hereby approved for the fiscal year beginning July 1, 2010, and extending to June 30, 2011 for the functions and purposes indicated hereafter.***

***[Resolution Continues on Following Pages]***

**COUNTY OF WASHINGTON, VIRGINIA  
ADOPTED REVENUE BUDGET  
FISCAL YEAR 2010-2011**

<b>FD 01</b>	<b>GENERAL FUND</b>	
10110	FUND BALANCE	\$ 1,950,000
11010	REAL PROPERTY TAXES	\$ 21,097,078
11020	PUBLIC SERV. CORP. TAXES	\$ 1,139,294
11030	PERSONAL PROPERTY TAXES	\$ 4,868,500
11040	MACHINERY & TOOLS TAXES	\$ 2,480,000
11060	PENALTIES AND INTEREST	\$ 415,000
12010	LOCAL SALES AND USE TAXES	\$ 8,000,000
12020	CONSUMER'S UTILITY TAXES	\$ 1,125,000
12040	FRANCHISE LICENSE TAXES	\$ 120,000
12050	MOTOR VEHICLE TAXES	\$ 825,000
12060	BANK STOCK TAXES	\$ 31,000
12070	TAXES ON RECORDATION AND WILLS	\$ 302,000
12100	HOTEL & MOTEL ROOM TAXES	\$ 40,000
13010	ANIMAL LICENSES AND FEES	\$ 50,000
13030	PERMITS AND OTHER LICENSES	\$ 100,250
14010	FINES AND FORFEITURES	\$ 360,000
15010	REVENUE FROM USE OF MONEY	\$ 225,000
15020	REVENUE FROM USE OF PROPERTY	\$ 33,500
16010	COURT COSTS	\$ 36,000
16020	CHARGES FOR COMMONWEALTH'S ATTY	\$ 2,000
16030	CHARGES FOR LAW ENFORCEMENT	\$ 25,000
16050	CHARGES-CORRECTION & DETENTION	\$ 2,000
16060	CHARGES-TREASURER SERVICES	\$ 7,500
16080	CHARGES-SOLID WASTE REMOVAL	\$ 375,000
16130	CHARGES FOR PARKS & RECREATION	\$ 31,500
18010	PAYMENT IN LIEU OF TAXES	\$ 49,571
18990	MISCELLANEOUS	\$ 18,767
19010	REFUNDS FROM OTHER AGENCIES	\$ 105,383
19030	MISCELLANEOUS RECOVERIES	\$ 410,000
22010	NON-CATEGORICAL AID	\$ 264,500
23010	COMMONWEALTH'S ATTORNEY	\$ 364,813
23020	SHERIFF	\$ 2,090,744
23030	COMMISSIONER OF REVENUE	\$ 147,697
23040	TREASURER	\$ 143,869
23060	REGISTRAR/ELECTORAL BOARD	\$ 48,727
23070	CLERK OF CIRCUIT COURT	\$ 319,223
23080	EMERGENCY SERVICES	\$ 4,500
24010	WELFARE	\$ 5,744,557
24020	PERSONAL PROPERTY TAX RELIEF	\$ 2,559,281

*[Resolution Continues on Following Pages]*

24040	OTHER CATEGORICAL AID-STATE	\$ 309,500
31010	PAYMENTS IN LIEU OF TAXES	\$ 400,000
33090	OTHER CATEGORICAL AID-FEDERAL	\$ 10,000
41020	SALE OF LAND AND/OR BUILDINGS	<u>\$ 0</u>
	TOTAL GENERAL FUND	\$ 56,631,754
<b>FD 02</b>	<b>FEDERAL ASSET SHARING FUND</b>	
10110	FUND BALANCE	\$ 100,000
33010	OTHER CATEGORICAL AID-FEDERAL	<u>\$ 0</u>
	TOTAL FEDERAL ASSET SHARING FUND	\$ 100,000
<b>FD 03</b>	<b>LAW LIBRARY FUND</b>	
10110	FUND BALANCE	\$ 0
16010	LAW LIBRARY	<u>\$ 8,500</u>
	TOTAL LAW LIBRARY FUND	\$ 8,500
<b>FD 04</b>	<b>ROAD IMPROVEMENT FUND</b>	
10110	FUND BALANCE	\$ 40,000
16070	CHARGES FOR HIGHWAYS, STREETS, ETC.	<u>\$ 10,000</u>
	TOTAL ROAD IMPROVEMENT FUND	\$ 50,000
<b>FD 05</b>	<b>CAPITAL IMPROVEMENT FUND</b>	
10110	FUND BALANCE	\$ 5,952,544
15020	REVENUE FROM USE OF PROPERTY	<u>\$ 720,000</u>
	TOTAL CAPITAL IMPROVEMENT FUND	\$ 6,672,544
<b>FD 06</b>	<b>ECONOMIC DEVELOPMENT FUND</b>	
10110	FUND BALANCE	\$ 188,750
24040	OTHER STATE CATEGORICAL AID	<u>\$ 0</u>
	TOTAL ECONOMIC DEVELOPMENT FUND	\$ 188,750
<b>FD 07</b>	<b>UTILITIES FUND</b>	
10110	FUND BALANCE	\$ 0
24040	OTHER STATE CATEGORICAL AID	<u>\$ 0</u>
	TOTAL UTILITIES FUND	\$ 0

*[Resolution Continues on Following Pages]*

<b>FD 08</b>	<b>TRAFFIC ENFORCEMENT FUND</b>	
10110	FUND BALANCE	\$ 0
14010	FINES AND FORFEITURES	<u>\$ 400,000</u>
	<b>TOTAL TRAFFIC ENFORCEMENT FUND</b>	<b>\$ 400,000</b>
<b>FD 10</b>	<b>SPECIAL GRANT PROJECTS FUND</b>	
10110	FUND BALANCE	\$ 0
24040	OTHER CATEGORICAL AID-STATE	<u>\$ 0</u>
	<b>TOTAL SPECIAL GRANT PROJECTS FUND</b>	<b>\$ 0</b>
<b>FD 108</b>	<b>COUNTY LIBRARY FUND</b>	
10110	FUND BALANCE	\$ 0
16150	CHARGES FOR COUNTY LIBRARY	\$ 29,000
18990	MISCELLANEOUS	\$ 25,000
24040	OTHER CATEGORICAL AID-STATE	\$ 150,766
33040	OTHER CATEGORICAL AID-FEDERAL	<u>\$ 0</u>
	<b>TOTAL COUNTY LIBRARY FUND</b>	<b>\$ 204,766</b>
<b>FD 206</b>	<b>VA. PUBLIC ASSISTANCE FUND</b>	
10110	FUND BALANCE	<u>\$ 0</u>
	<b>TOTAL VA. PUBLIC ASSISTANCE FUND</b>	<b>\$ 0</b>
<b>FD 207</b>	<b>COMPREHENSIVE SERVICES ACT FUND</b>	
10110	FUND BALANCE	<u>\$ 0</u>
	<b>TOTAL COMPREHENSIVE SERVICES ACT FUND</b>	<b>\$ 0</b>
<b>FD 312</b>	<b>GENERAL SCHOOL FUND</b>	
10000	LOCAL REVENUES	\$ 1,779,681
20000	STATE REVENUES	\$ 36,232,810
30000	FEDERAL REVENUES	<u>\$ 6,224,747</u>
	<b>TOTAL GENERAL SCHOOL FUND</b>	<b>\$ 44,237,238</b>

*[Resolution Continues on Following Pages]*

<b>FD 313</b>	<b>SCHOOL DEBT SERVICE FUND</b>	
<b>10110</b>	<b>FUND BALANCE</b>	<b><u>\$ 500,000</u></b>
	<b>TOTAL SCHOOL DEBT SERVICE FUND</b>	<b>\$ 500,000</b>
<b>FD 315</b>	<b>SCHOOL TEXTBOOK FUND</b>	
<b>10110</b>	<b>FUND BALANCE</b>	<b>\$ 1,695,000</b>
<b>15010</b>	<b>REVENUE FROM USE OF MONEY</b>	<b>\$ 20,000</b>
<b>19010</b>	<b>RECOVERY OF TUITIONS</b>	<b>\$ 300</b>
<b>24020</b>	<b>CATEGORICAL AID-STATE</b>	<b><u>\$ 364,094</u></b>
	<b>TOTAL SCHOOL TEXTBOOK FUND</b>	<b>\$ 2,079,394</b>
<b>FD 316</b>	<b>SCHOOL CONSTRUCTION FUND</b>	
<b>10110</b>	<b>FUND BALANCE</b>	<b>\$ 250,000</b>
<b>41030</b>	<b>SUBSIDY PROCEEDS</b>	<b>\$ 0</b>
<b>41040</b>	<b>PROCEEDS FROM INDEBTEDNESS</b>	<b><u>\$ 6,359,985</u></b>
	<b>TOTAL SCHOOL CONSTRUCTION FUND</b>	<b>\$ 6,609,985</b>
<b>FD 317</b>	<b>SCHOOL CAFETERIA FUND</b>	
<b>10110</b>	<b>FUND BALANCE</b>	<b>\$ 520,295</b>
<b>15010</b>	<b>REVENUE FROM USE OF MONEY</b>	<b>\$ 6,500</b>
<b>16120</b>	<b>CHARGES FOR EDUCATION</b>	<b>\$ 3,496,019</b>
<b>24040</b>	<b>OTHER CATEGORICAL AID-STATE</b>	<b><u>\$ 0</u></b>
	<b>TOTAL SCHOOL CAFETERIA FUND</b>	<b><u>\$ 4,022,814</u></b>
	<b>TOTAL ADOPTED REVENUE BUDGET</b>	<b><u>\$121,705,745</u></b>

*[Resolution Continues on Following Pages]*

**WASHINGTON COUNTY, VIRGINIA  
ADOPTED EXPENDITURE BUDGET  
FISCAL YEAR 2010-2011**

<b>FD 01</b>	<b>GENERAL FUND</b>		
11100	BOARD OF SUPERVISORS	\$	171,450
12110	COUNTY ADMINISTRATION	\$	213,049
12200	COUNTY ATTORNEY	\$	208,131
12240	COUNTY AUDIT	\$	60,000
12310	COMMISSIONER OF REVENUE	\$	566,006
12320	ASSESSOR	\$	100,000
12410	TREASURER	\$	641,836
12430	ACCOUNTING	\$	267,858
12510	INFORMATION SYSTEMS	\$	622,935
13100	ELECTORAL BOARD	\$	102,248
13200	GENERAL REGISTRAR	\$	132,861
21100	CIRCUIT COURT-JUDGE	\$	64,676
21200	GENERAL DISTRICT COURT	\$	29,721
21300	SPECIAL MAGISTRATES	\$	5,820
21600	JD & R COURT-CLERK'S OFFICE/JUDGE	\$	14,175
21610	JD & R COURT-COURT SERVICES	\$	6,775
21700	CLERK OF CIRCUIT COURT	\$	589,767
21910	VICTIM & WITNESS ASSISTANCE	\$	56,055
22100	COMMONWEALTH'S ATTORNEY	\$	770,046
31200	WCSO-SHERIFF OFFICE	\$	1,252,195
31210	WCSO-TRAFFIC ENFORCEMENT	\$	400,000
31300	WCSO-PATROL DIVISION	\$	1,283,099
31400	WCSO-DISPATCH & E-911 DIVISION	\$	584,545
31500	WCSO-CRIMINAL INVESTIGATIVE DIVISION	\$	536,110
31600	WCSO-COMMUNITY SERVICES DIVISION	\$	660,038
31650	WCSO-COURT SECURITY DIVISION	\$	258,838
31700	WCSO-LITTER CONTROL DIVISION	\$	114,178
31710	WCSO-ANIMAL CONTROL DIVISION	\$	280,226
31810	WCSO-VSTOP GRANT	\$	44,367
32200	FIRE DEPARTMENTS	\$	1,088,678
32300	EMS DEPARTMENTS	\$	642,520
32400	FIRE & RESCUE FACILITIES	\$	0
33200	APPALACHIAN JUVENILE COMMISSION	\$	273,200
33210	SW VA REGIONAL JAIL AUTHORITY	\$	2,144,203
34100	BUILDING AND DEVELOPMENT SERVICES	\$	322,112
35300	MEDICAL EXAMINER	\$	1,000
35500	EMERGENCY MANAGEMENT	\$	289,930
35600	VA WIRELESS E-911 GRANTS	\$	0
42600	SOLID WASTE DEPARTMENT	\$	2,193,167
43200	GENERAL SERVICES	\$	1,199,886
51100	COUNTY HEALTH DEPARTMENT	\$	476,491
52200	MENTAL HEALTH&RETARDATION	\$	329,337
53210	PARENT AIDE SERVICES GRANT	\$	5,383

53220	STATE-LOCAL HOSPITALIZATION	\$	0
53230	AREA AGENCY ON AGING	\$	44,927
53250	INDIGENT CARE-OTHER	\$	5,000
53800	UNITED WAY	\$	360,080
66000	COMMUNITY COLLEGES	\$	82,532
66100	OTHER EDUCATION CONTRIBUTIONS	\$	2,250
71110	RECREATION DEPARTMENT	\$	150,176
71320	RECREATION DEPT-LEO SHOLES PARK	\$	28,942
71340	WASH COUNTY PARK AUTHORITY	\$	71,000
71345	COUNTY PARKS-OTHER	\$	6,500
71500	COMMUNITY CENTERS	\$	119,490
71600	RECREATION PROGRAMS-TOWNS	\$	75,600
71700	ATHLETIC GROUP ACTIVITIES	\$	64,990
72700	CULTURAL ENRICHMENT	\$	152,720
81100	ZONING ADMINISTRATION	\$	143,064
81110	PLANNING ACTIVITIES-REGIONAL	\$	41,141
81120	WC PLANNING COMMISSION & BZA	\$	24,007
81500	COMMUNITY & ECON DEVELOPMENT	\$	181,543
81510	ECONOMIC DEVELOPMENT ACTIVITIES	\$	216,342
81520	WC INDUSTRIAL DEVELOPMENT AUTHORITY	\$	110,000
81530	SMYTH/WASH INDUSTRIAL FACILITY AUTH.	\$	102,942
81600	VIRGINIA HIGHLANDS AIRPORT	\$	63,075
82400	SOIL & WATER CONS DISTRICT	\$	30,330
83100	COUNTY EXTENSION PROGRAM	\$	117,506
91400	RESERVE FOR CONTINGENCIES	\$	332,095
91410	RESERVE FOR EMPLOYEE BENEFITS	\$	83,825
91420	INTERGOVERNMENTAL PAYMENTS	\$	262,200
92100	REVENUE REFUNDS	\$	0
92200	EXPENDITURE ADJUSTMENTS	\$	<u>0</u>
	<b>TOTAL GENERAL FUND</b>		<b>\$ 21,875,189</b>
<b>FD 02</b>	<b>FEDERAL ASSET SHARING FUND</b>		
22800	COMMONWEALTH'S ATTY FASP ACCT-STATE	\$	0
22810	COMMONWEALTH'S ATTY FASP ACCT-FEDERAL	\$	0
31800	SHERIFF'S FASP ACCT-STATE	\$	0
31810	SHERIFF'S FASP ACCT-FEDERAL	\$	<u>100,000</u>
	<b>TOTAL FEDERAL ASSET SHARING FUND</b>	\$	<b>100,000</b>
<b>FD 03</b>	<b>WASH. CO. LAW LIBRARY FUND</b>	\$	<b>8,500</b>

*[Resolution Continues on Following Pages]*

<b>FD 04</b>	<b>ROAD IMPROVEMENT FUND</b>	
92500	LIGHTING, SIGNAGE & SIGNALIZATION	\$ 20,000
92900	OTHER IMPROVEMENT PROJECTS	<u>\$ 30,000</u>
	<b>TOTAL ROAD IMPROVEMENT FUND</b>	<b>\$ 50,000</b>
<b>FD 05</b>	<b>CAPITAL IMPROVEMENT FUND</b>	
94110	COUNTY FACILITIES-ADMINISTRATION	\$ 1,000,000
94131	COUNTY FACILITIES-SHERIFF'S OFFICE	\$ 321,255
94152	COUNTY FACILITIES-JMH ADAPTIVE REUSE	\$ 0
94161	COUNTY FACILITIES-SOLID WASTE	\$ 25,000
94162	COUNTY FACILITIES-SOLID WASTE VEHICLES	\$ 60,000
94163	COUNTY FACILITIES-SOLID WASTE EQUIPMENT	\$ 95,000
94191	COUNTY FACILITIES-BLIGHT ABATEMENT PRJ	\$ 0
94196	COUNTY FACILITIES-PRESERVATION PRJ	\$ 0
94321	LIBRARIES-DAMASCUS BRANCH PRJ	\$ 25,000
94330	LIBRARIES-GLADE SPRING BRANCH PRJ	\$ 345,000
94533	RECREATION-BEAVERDAM CREEK PARK PRJ	\$ 25,000
94819	CAPITAL CONTRIBUTIONS-MAJOR	\$ 200,000
94829	CAPITAL CONTRIBUTIONS-MINOR	\$ 0
94911	CAPITAL RESERVES-GENERAL	\$ 3,090,424
94921	CAPITAL RESERVES-SCHOOLS	\$ 1,922,120
94990	CAPITAL RESERVES-OTHER	<u>\$ 0</u>
	<b>TOTAL CAPITAL IMPROVEMENT FUND</b>	<b>\$ 7,108,799</b>
<b>FD 06</b>	<b>ECONOMIC DEVELOPMENT FUND</b>	
96110	IDA-OAK PARK DEVELOPMENT	\$ 275,000
96160	SWIFA-HIGHLANDS PARK DEV	\$ 81,250
96310	IDA-THE HIGHLANDS DEVELOPMENT	\$ 457,520
96510	IDA-PERFORMANCE AGREEMENTS	\$ 150,000
96710	VIRGINIA HIGHLANDS AIRPORT AUTHORITY	\$ 240,014
96810	JOINT ECON DEVELOP STUDY-ABINGDON	\$ 7,500
96910	COUNTY OPPORTUNITY ACCOUNT	<u>\$ 200,000</u>
	<b>TOTAL ECONOMIC DEVELOPMENT FUND</b>	<b>\$ 1,411,284</b>
<b>FD 07</b>	<b>UTILITIES FUND</b>	
98100	FEES & CONTRIBUTIONS	\$ 0
98200	PURCHASES & SUBSIDIES	\$ 0
98400	WCSA-SEWER PROJECTS	<u>\$ 0</u>
	<b>TOTAL UTILITIES FUND</b>	<b>\$ 0</b>

*[Resolution Continues on Following Pages]*

<b>FD 08</b>	<b>TRAFFIC ENFORCEMENT FUND</b>	
<b>31210</b>	<b>WCSO-TRAFFIC ENFORCEMENT</b>	<b><u>\$ 400,000</u></b>
	<b>TOTAL TRAFFIC ENFORCEMENT FUND</b>	<b>\$ 400,000</b>
<b>FD 10</b>	<b>SPECIAL GRANT PROJECTS FUND</b>	
<b>99100</b>	<b>COMMUNITY DEVELOPMENT BLOCK GRANTS</b>	<b>\$ 0</b>
<b>99200</b>	<b>APPALACHIAN REGIONAL COMMISSION</b>	<b>\$ 0</b>
<b>99900</b>	<b>OTHER GRANT PROJECTS</b>	<b><u>\$ 0</u></b>
	<b>TOTAL SPECIAL GRANT PROJECTS FUND</b>	<b>\$ 0</b>
<b>FD 11</b>	<b>E911 PROJECT FUND</b>	<b>\$ 0</b>
<b>FD 108</b>	<b>COUNTY LIBRARY FUND</b>	
<b>73100</b>	<b>LIBRARY ADMIN LOCAL</b>	<b>\$ 1,081,967</b>
<b>73300</b>	<b>LIBRARY ADMIN STATE &amp; FED AID</b>	<b>\$ 150,766</b>
<b>73400</b>	<b>BRANCH LIBRARY LOCAL-DAMASCUS</b>	<b>\$ 91,271</b>
<b>73500</b>	<b>BRANCH LIBRARY LOCAL-MENDOTA</b>	<b>\$ 37,441</b>
<b>73600</b>	<b>BRANCH LIBRARY LOCAL-GLADE</b>	<b>\$ 47,670</b>
<b>73700</b>	<b>BRANCH LIBRARY-HAYTER'S GAP</b>	<b>\$ 62,399</b>
<b>73900</b>	<b>LIBRARY GRANTS &amp; ENDOWMENTS</b>	<b><u>\$ 25,000</u></b>
	<b>TOTAL COUNTY LIBRARY FUND</b>	<b>\$ 1,496,514</b>
<b>FD 206</b>	<b>VA PUBLIC ASSISTANCE FUND</b>	
<b>53100</b>	<b>WELFARE ADMINISTRATION</b>	<b>\$ 3,084,897</b>
<b>53200</b>	<b>PUBLIC ASSISTANCE &amp; S.S. PROGRAMS</b>	<b><u>\$ 2,608,546</u></b>
	<b>TOTAL VA PUBLIC ASSISTANCE FUND</b>	<b>\$ 5,693,443</b>
<b>FD 207</b>	<b>COMMUNITY SERVICES ACT FUND</b>	<b>\$ 1,623,271</b>
<b>FD 312</b>	<b>GENERAL SCHOOL FUND</b>	<b>\$ 67,083,707</b>
<b>FD 313</b>	<b>SCHOOL DEBT SERVICE FUND</b>	<b>\$ 2,460,251</b>
<b>FD 315</b>	<b>SCHOOL TEXTBOOK FUND</b>	<b>\$ 1,761,988</b>
<b>FD 316</b>	<b>SCHOOL CONSTRUCTION FUND</b>	<b>\$ 6,609,985</b>
<b>FD 317</b>	<b>SCHOOL CAFETERIA FUND</b>	<b><u>\$ 4,022,814</u></b>
	<b>TOTAL ADOPTED EXPENDITURE BUDGET</b>	<b><u>\$121,705,745</u></b>

*[Resolution Continues on Following Pages]*

**GENERAL FUND TRANSFERS  
FISCAL YEAR 2010-2011**

TO ROAD IMPROVEMENT FUND	\$ 0
TO CAPITAL IMPROVEMENT FUND	\$ 436,255
TO ECONOMIC DEVELOPMENT FUND	\$ 1,222,534
TO UTILITIES FUND	\$ 0
TO COUNTY LIBRARY FUND	\$ 1,291,748
TO VA PUBLIC ASSISTANCE FUND	\$ 5,693,443
TO COMPREHENSIVE SERVICES ACT FUND	\$ 1,623,271
TO GENERAL SCHOOL FUND	\$ 22,346,469
TO SCHOOL DEBT SERVICE FUND	\$ 1,960,251
TO SCHOOL TEXTBOOK FUND	<u>\$ 182,594</u>
<b>TOTAL GENERAL FUND TRANSFERS</b>	<b><u>\$ 34,756,565</u></b>

**SCHOOL TEXTBOOK FUND TRANSFERS  
FISCAL YEAR 2010-2011**

TO GENERAL SCHOOL FUND	<u>\$ 500,000</u>
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*IT IS FURTHER RESOLVED that the approval of this budget shall not constitute an appropriation of funds.*

*The vote on this motion was as follows: (6-1)*

<i>Mr. McCall</i>	<i>Aye</i>
<i>Ms. Mumpower</i>	<i>Aye</i>
<i>Mr. Owens</i>	<i>Aye</i>
<i>Ms. Price</i>	<i>Nay</i>
<i>Mr. Reynolds</i>	<i>Aye</i>
<i>Mr. Straten</i>	<i>Aye</i>
<i>Mr. Taylor</i>	<i>Aye</i>

**6. Consideration of Resolution Regarding Employee Contribution to Virginia Retirement System**

Mr. Seamon addressed the Board and explained the Virginia General Assembly passed legislation creating a separate retirement plan for employees hired on or after July 1, 2010 (VRS Plan 2). In 1989, the Board of Supervisors approved the pick-up of the 5% member contribution to the Virginia Retirement System (VRS). This approval was irrevocable, and all current employees as of June 30, 2010 must have their whole member contribution paid by the County. Beginning July 1, the Board will have the option to pick-up the 5% member contribution to VRS for employees hired on or after July 1. The proposed Resolution would need to be adopted by the Board in order to do so. Mr. Seamon further explained that it is the recommendation of the County Administrator and him to pick up the 5% VRS Member contribution at this time. This action is revocable. He noted that it would be several years before the County would see a savings with the new VRS Plan 2. The savings will be realized as employees in VRS Plan 1 retire.

*On motion of Ms. Price, second by Mr. Taylor, the Board acted to adopt the following Resolution giving authorization for Washington County to pick-up the employee's 5% contribution to VRS under 414(b) of the Internal Revenue Code for Plan 2 employees:*

**RESOLUTION 2010-20  
AUTHORIZATION TO PICK-UP THE EMPLOYEE'S CONTRIBUTION TO VRS  
UNDER § 414(h) OF THE INTERNAL REVENUE CODE FOR PLAN 2 EMPLOYEES**

*WHEREAS, the Virginia General Assembly, in its 2010 session passed legislation creating a separate retirement plan for employees hired on or after July 1, 2010 (hereafter referred to as "Plan 2 employees"). The legislation stipulates that Plan 2 Employees will pay their 5 percent member contribution and that, absent other action by the employer, such contribution will be paid through salary reduction according to Internal Revenue Code § 414(h) on a pre-tax basis; and*

*WHEREAS, the legislation allows certain employers, including the Board of Supervisors of Washington County, Virginia to pick-up and pay all or a portion of the member contributions on behalf of its Plan 2 Employees as an additional benefit not paid as salary; and*

*WHEREAS, the election to pick-up and pay all or a portion of the member contributions on behalf of its Plan 2 Employees as an additional benefit not paid as salary shall, once made, remain in effect for the applicable fiscal year (July 1 – June 30) and shall continue in effect beyond the end of such fiscal year absent a subsequent resolution changing the way the 5 percent member contribution is paid; and*

*WHEREAS, employee contributions that are picked-up as an additional benefit not paid as salary are not considered wages for purposes of VA Code § 51.1-700 et seq. nor shall they be considered salary for purposes of VA Code § 51.1-100 et seq.; and*

*WHEREAS, the Board of Supervisors of Washington County, Virginia desires to pick-up and pay its Plan 2 Employee's member contribution to VRS as an additional benefit not paid as salary in an amount equal to 5% of creditable compensation; and*

*WHEREAS, VRS tracks such pick-up member contributions and is prepared to treat such contributions as employee contributions for all purposes of VRS.*

*NOW, THEREFORE, BE IT RESOLVED that effective the first day of July 2010, the Board of Supervisors of Washington County, Virginia shall pick-up member contributions of its Plan 2 Employees to VRS as an additional benefit not paid as salary in an amount equal to 5% of creditable compensation subject to the terms and conditions described above; and further*

*BE IT FURTHER RESOLVED that such contributions, although designated as member contributions, are to be made by the Board of Supervisors of Washington County, Virginia in lieu of member contributions; and it is further*

*BE IT FURTHER RESOLVED that nothing herein shall be construed so as to permit or extend an option to VRS members to receive the picked-up contributions made by the Board of Supervisors of Washington County, Virginia directly instead of having them paid to VRS.*

*The vote on this motion was as follows: (7-0)*

<i>Mr. McCall</i>	<i>Aye</i>
<i>Ms. Mumpower</i>	<i>Aye</i>
<i>Mr. Owens</i>	<i>Aye</i>
<i>Ms. Price</i>	<i>Aye</i>
<i>Mr. Reynolds</i>	<i>Aye</i>
<i>Mr. Straten</i>	<i>Aye</i>
<i>Mr. Taylor</i>	<i>Aye</i>

**7. Consideration of County Facilities Recommendation Regarding Professional Services for County Facilities Services**

Mr. Reeter addressed the Board and explained the County issued Request for Proposals for a wide range of professional services for the Alpha Building, Public Safety Building and the Treasurer's Building. Eight proposals were received. The Board-appointed Selection/Interview Team consisting of County Facilities Committee members Odell Owens and Joe Straten, along with County Treasurer Fred Parker, Commissioner of Revenue David Henry and Sheriff Fred Newman reviewed, scored and ranked all eight proposals and selected four firms (AECOM, Commonwealth Architects, RRMM Architects and Thompson+Litton) for interview. After the interviews, the Selection/Interview Team chose Thompson+Litton as its top-ranked firm with which to enter into contract negotiations. Negotiations were conducted by the County Facilities Committee with Thompson+Litton. Mr. Reeter stated that the County Attorney has worked closely with Thompson+Litton on contract details. The final form of the contract is presented to the Board for consideration.

County Facilities Committee members Odell Owens and Joe Straten recommended Board approval of the proposed Contract for Services with Thompson+Litton for County Facilities Services.

*On motion of Mr. Straten, second by Ms. Price, the Board acted to approve the Contract for Services between the County and Thompson+Litton.*

*The vote on this motion was as follows: (7-0)*

<i>Mr. McCall</i>	<i>Aye</i>
<i>Ms. Mumpower</i>	<i>Aye</i>
<i>Mr. Owens</i>	<i>Aye</i>
<i>Ms. Price</i>	<i>Aye</i>
<i>Mr. Reynolds</i>	<i>Aye</i>
<i>Mr. Straten</i>	<i>Aye</i>
<i>Mr. Taylor</i>	<i>Aye</i>

*Scrivener's Note: The Contract for Services referenced above is included as Minutes Exhibits Item 2010-06-08-B.*

**8. Consideration of Appointments to Various Boards, Authorities and Commissions Expiring June 30, 2010**

Highlands Community Services Board

*On motion of Mr. Owens, second by Mr. Straten, the Board acted to reappoint Claudia Duffy to represent Washington County on the Highlands Community Services Board for a three year term beginning July 1, 2010 and expiring June 30, 2013.*

*The vote on this motion was as follows: (7-0)*

<i>Mr. McCall</i>	<i>Aye</i>
<i>Ms. Mumpower</i>	<i>Aye</i>
<i>Mr. Owens</i>	<i>Aye</i>
<i>Ms. Price</i>	<i>Aye</i>
<i>Mr. Reynolds</i>	<i>Aye</i>
<i>Mr. Straten</i>	<i>Aye</i>
<i>Mr. Taylor</i>	<i>Aye</i>

Virginia Highlands Community College Board

Ms. Price addressed the Board and explained that she has spoken with Mr. Joe Mitchell, her nominee for appointment to the Virginia Highlands Community College Board; the eligibility issue was not on the agenda for the May meeting of the Virginia Community College System Board. Therefore, the restrictions remain in place that would make Mr. Mitchell ineligible for appointment. She recommended the Board go forward with an eligible appointee.

Mr. Reynolds explained that at a prior Board meeting, he nominated Mr. Tom Counts for appointment to the Virginia Highlands Community College Board and has confidence that Mr. Counts would be a good representative.

The following action was taken on the appointment to the Virginia Highlands Community College Board:

*On motion of Mr. Reynolds, second by Mr. Owens, the Board acted to appoint Tom Counts to represent Washington County on the Virginia Highlands Community College Board for a four year term beginning July 1, 2010 and expiring June 30, 2014.*

*The vote on this motion was as follows: (7-0)*

<i>Mr. McCall</i>	<i>Aye</i>
<i>Ms. Mumpower</i>	<i>Aye</i>
<i>Mr. Owens</i>	<i>Aye</i>
<i>Ms. Price</i>	<i>Aye</i>
<i>Mr. Reynolds</i>	<i>Aye</i>
<i>Mr. Straten</i>	<i>Aye</i>
<i>Mr. Taylor</i>	<i>Aye</i>

Highlands Community Policy and Management Team

*On motion of Mr. Taylor, second by Mr. Owens, the Board acted to reappoint Gloria Surber as the Parent Representative for Washington County on the Highlands Community Policy and Management Team for fiscal years 2011 and 2012 (term ending June 30, 2012).*

*The vote on this motion was as follows: (7-0)*

<i>Mr. McCall</i>	<i>Aye</i>
<i>Ms. Mumpower</i>	<i>Aye</i>
<i>Mr. Owens</i>	<i>Aye</i>
<i>Ms. Price</i>	<i>Aye</i>
<i>Mr. Reynolds</i>	<i>Aye</i>
<i>Mr. Straten</i>	<i>Aye</i>
<i>Mr. Taylor</i>	<i>Aye</i>

Washington County Board of Zoning Appeals

Ms. Mumpower nominated Mr. John Martin to be recommended for appointment to the Board of Zoning Appeals.

The following action was taken:

*On motion of Mr. McCall, second by Ms. Price, the Board acted to recommend to Circuit Court the appointment of John Martin to the Washington County Board of Zoning Appeals to fill the unexpired term of V. Blake McKinney (term ends February 4, 2012).*

*The vote on this motion was as follows: (7-0)*

<i>Mr. McCall</i>	<i>Aye</i>
<i>Ms. Mumpower</i>	<i>Aye</i>
<i>Mr. Owens</i>	<i>Aye</i>
<i>Ms. Price</i>	<i>Aye</i>
<i>Mr. Reynolds</i>	<i>Aye</i>
<i>Mr. Straten</i>	<i>Aye</i>
<i>Mr. Taylor</i>	<i>Aye</i>

b. Informational Items:

1. Update Presentation on Status Western Washington County Sewer Study

Washington County Service Authority General Manager Robbie Cornett addressed the Board and provided an update on the Western Washington County Sewer Study. Mr. Cornett was accompanied by Bobby Lane with The Lane Group, who will be completing the study.

At the conclusion of Mr. Cornett’s presentation, lengthy discussions ensued among the Board, Mr. Cornett and Mr. Lane.

## 7. Board Member Reports

Mr. Reynolds reported that he has received several calls from parents that accompanied their children to the Destination Imagination Global Tournament in Knoxville. The Destination Imagination Team will be appearing before the Board in the near future to report on the competition.

Ms. Price reported that she has the draft/proofs cards for the Prescription Drug Program. The cards will go back on Wednesday of this week via e-mail. She stated the Prescription Drug Program should be in place shortly.

Mr. Taylor reported on an ombudsman type service offered through District III Governmental Cooperative that makes an individual available to investigate complaints received from patients or a patient's guardian of licensed nursing home facilities. In light of the recent problems that have surfaced in nursing homes with care of patients, it appears that patients and/or guardians do not have anybody to talk with. District III currently has one person serving the region. Mr. Taylor stated this is a valuable service, and the Board may want to encourage the State to appropriate more money to the program to fund additional positions.

Mr. Straten advised Board members that he would not be present at the June 22 regular meeting.

Ms. Mumpower reported on the Memorial Day Ceremony held at the Veteran's Memorial Park in Abingdon, VA on May 30.

## 8. Board Information and Reminders

Ms. Phillips reported on a recent conversation she had with an individual appointed to a County board/authority. This individual had not been contacted about serving and did not have any information about the appointment prior to receiving an appointment letter from the County. Ms. Phillips recommended that it not be assumed that a prospective appointee is aware of an appointment just because a recommendation is made by a board/authority director. In some cases, prospective appointees may not be notified in advance.

## 9. **Closed Meeting:**

- a. **Request to convene in Closed Meeting pursuant to Virginia Code Section 2.2-3711(A)(5) for discussion concerning prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities in the community; specifically regarding a potential partnership with the Town of Abingdon for business development and the particular property and prospective business being contemplated**

*On motion of Mr. Owens, second by Mr. McCall, the Board acted to convene in Closed Meeting pursuant to Virginia Code Section 2.2-3711(A)(5) for discussion concerning prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities in the community; specifically regarding a potential partnership with the Town of Abingdon for business development and the particular property and prospective business being contemplated. It was further*

*resolved to include County Administrator Mark Reeter, Assistant County Administrator Christy Parker and County Attorney Lucy Phillips in the Closed Meeting.*

*The vote on this motion was as follows: (7-0)*

<i>Mr. McCall</i>	<i>Aye</i>
<i>Ms. Mumpower</i>	<i>Aye</i>
<i>Mr. Owens</i>	<i>Aye</i>
<i>Ms. Price</i>	<i>Aye</i>
<i>Mr. Reynolds</i>	<i>Aye</i>
<i>Mr. Straten</i>	<i>Aye</i>
<i>Mr. Taylor</i>	<i>Aye</i>

The Board took a five minute recess prior to convening in Closed Meeting.

**b. Reconvene in Open Meeting and Certification of Closed Meeting**

*After returning to the meeting, the Chairperson noted that upon motion of Mr. Owens, second by Ms. Price and favorable vote, the Board of Supervisors reconvened in open meeting. The Chairperson called for any participant in the closed meeting(s) who believed that there was a departure from the requirements of the Virginia Freedom of Information Act during the closed meeting(s), to state the substance of the departure that they believed took place. No members of the Board responded to the Chairperson’s call for statements.*

*On motion of Mr. Owens, second by Ms. Price, the members of the Board certified the closed meeting(s) in accordance with the requirements of the Virginia Freedom of Information Act. By vote in favor of this motion, each member certified that the closed meeting was conducted in conformity with Virginia law, and that only public business matters lawfully exempted from open meeting requirements and identified in the motion by which the closed meeting was convened was heard, discussed, or considered in the closed meeting.*

*The vote on this motion was as follows: (7-0)*

<i>Mr. McCall</i>	<i>Aye</i>
<i>Ms. Mumpower</i>	<i>Aye</i>
<i>Mr. Owens</i>	<i>Aye</i>
<i>Ms. Price</i>	<i>Aye</i>
<i>Mr. Reynolds</i>	<i>Aye</i>
<i>Mr. Straten</i>	<i>Aye</i>
<i>Mr. Taylor</i>	<i>Aye</i>

**10. Adjourn or Recess**

*On motion of Mr. McCall, second by Mr. Owens, it was resolved to adjourn the meeting.*

*The vote on this motion was as follows: (7-0)*

<i>Mr. McCall</i>	<i>Aye</i>
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*Ms. Mumpower*      *Aye*  
*Mr. Owens*        *Aye*  
*Ms. Price*         *Aye*  
*Mr. Reynolds*     *Aye*  
*Mr. Straten*       *Aye*  
*Mr. Taylor*        *Aye*

\*\*\*\*\*

**Prepared by:**

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Naoma A. Norris, Recording Clerk

**Approved by the Washington County Board of Supervisors:**

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Dulcie M. Mumpower, Chairman