V I R G I N I A:

At a meeting of the Washington County Board of Supervisors held Tuesday, September 26, 1995, at 7:00 p.m., at the County Administration Building in Abingdon, Virginia, the following were present:

PRESENT:

James T. Osborne, Chairman
Dulcie M. Mumpower, Vice Chairman
Kenneth G. Mathews
Bobby D. Ingle
Joe W. Derting
Maurice H. Parris
Jackson Barker

Mark K. Reeter, County Administrator
Joseph B. Lyle, County Attorney
Mark W. Seamon, Director of Accounting
Sandra M. Hatfield, CPS, Executive Secretary

**********

Call to Order

The meeting was called to order by Mr. James T. Osborne, Chairman of the Board who welcomed everyone in attendance.

**********

Invocation and Pledge of Allegiance - Joe W. Derting

Mr. Derting gave the Invocation and led in the pledge of allegiance.

**********

Approval of Agenda

On motion of Mr. Parris, second by Mr. Derting, it was resolved to approve the Agenda with the following changes:

Delete:

8. Virginia Gas Company application for revenue bonds through Russell County IDA

Substitute:

8. Resolution to Declare Disaster Situation in Washington County Due to Agricultural Losses

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

| | | | | | |
|---|---|---|---|---|---|
| Mr. Mathews | Aye | Mr. Ingle | Aye | Mr. Derting | Aye |
| Mr. Osborne | Aye | Mr. Parris | Aye | Mr. Barker | Aye |
| Mrs. Mumpower | Aye | | | | |

**********

Approval of Minutes of September 12, 1995

On motion of Mr. Ingle, second by Mrs. Mumpower, it was resolved to approve the Minutes of September 12, 1995 with the following correction:

Page 7850, Item 10, Request from Southwest Virginia Higher Education Center for Financial Assistance (Rachel Fowlkes), Paragraph 8:

Add to the paragraph, "Mr. Barker requested the record reflect that the Higher Education Center is used extensively by teachers and other employees of the Washington County School System, and filed a statement disclosing he has a personal interest in certain aspects of the Washington County Budget related to appropriations to the Washington County School Board ... that he can participate in this transaction fairly, objectively and in the public interest."

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

| | | | | | |
|---|---|---|---|---|---|
| Mr. Mathews | Aye | Mr. Ingle | Aye | Mr. Derting | Aye |
| Mr. Osborne | Aye | Mr. Parris | Aye | Mr. Barker | Aye |
| Mrs. Mumpower | Aye | | | | |

**********

Planning & Zoning Public Hearings

County Planner Cathie Freeman was present to respond to questions from the Board during the public hearings, after which the following actions were taken:

Intent to Rezone:

(1) City of Bristol, Virginia for the Clear Creek Golf Course Development: Request to rezone approximately 433 acres of property located on State Route 625 adjacent to the Clear Creek Lake from A-2 (Agricultural, General) to R-2 (Residential, General), Wilson Magisterial District.

Mr. Osborne invited comments both in support of and in opposition to the application filed by City of Bristol, Va for the Clear Creek Golf Course Development.

Jack Sykes, President, Summit Engineering (Pikeville, KY), and Clear Creek Development Corporation, addressed the Board of Supervisors presenting a

profile of his business organization and its location. Mr. Sykes described the proposed golf course project explaining it will be a 18-hole public, daily fee course; includes a pro shop and driving range, will include plans for 215 residential lots served by water and sewer.

Bobby Sproles addressed the Supervisors stating he is not endorsing or opposing the rezoning of the Clear Creek property but is opposed to Washington County's proposed agreement to a 15 year moratorium with the City of Bristol on annexing property in a one mile radius of the golf course. He expressed his view that this agreement protects only the big businesses and not the small independent businesses within this boundary. Mr. Sproles requested the Board of Supervisors table action on this matter until the Supervisors can meet with citizens of the County and inform them of the details of the County's negotiations with the City of Bristol.

Pat Mannix expressed his opposition to the proposed golf course development for reasons that the proposed driving is range included in the development plan but County zoning regulations exclude this as a permitted use; and that TVA and certain adjoining property owners were not notified of the public hearing to rezone the Clear Creek property. Mr. Mannix expressed his view that the sale of the Clear Creek property to the City of Bristol, VA was improper.

Horace Counts , stated he is an adjoining property owner and did not receive a notice of the public hearing to rezone the Clear Creek property.

Ralph Branson, adjoining property owner, opposed the golf course development.

There being no further comments, Mr. Osborne declared the public hearing closed.

Board discussion of the proposed golf course development ensued with Supervisors making the following comments:

Mrs. Mumpower commented on meeting with constituents in her district concerning the proposed golf course development stating there is an equal division of opinions in support and opposition to the proposed project. She referred to the Planning Commission's recommendation to the Board of Supervisors that the property rezoning be approved. Mrs. Mumpower expressed her view that rezoning the Clear Creek property to allow for the golf course development would be advantageous to the County. Mrs. Mumpower requested the developer (1) leave an area open to the public for picnicking and fishing, and (2) protect the surrounding farm lands and their neighbors from any adverse impacts of the development.

Mr. Barker commented to Bristol, VA City Manager Paul Spangler and other officials present in the audience that understands the character of the County is changing in this area. He requested the City officials keep as much of Clear Creek open to the public as is possible, and protect the surrounding farm properties.

On motion of Mrs. Mumpower, second by Mr. Ingle, it was resolved to accept the recommendation of the Planning Commission and approve City of Bristol, Virginia request to rezone approximately 433 acres of property located on

State Route 625 adjacent to the Clear Creek Lake from A-2 (Agricultural, General) to R-2 (Residential, General), Wilson Magisterial District for the Clear Creek Golf Course development.

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

| | | | | | |
|---|---|---|---|---|---|
| Mr. Mathews | Aye | Mr. Ingle | Aye | Mr. Derting | Aye |
| Mr. Osborne | Aye | Mr. Parris | Aye | Mr. Barker | Aye |
| Mrs. Mumpower | Aye | | | | |

Speakers from the audience requested the Board of Supervisors provide the current residents with documentation from the City of Bristol that they will not be annexing their properties for 15 years.

*****

(2) City of Bristol, Virginia for the Clear Creek Golf Course Development: Request for a Special Use Permit to construct and operate a 18 hole public golf course with surrounding residential development on approximately 433 acres of property located on State Route 625 adjacent to the Clear Creek Lake in an R-2 (Residential, General) zone, Wilson Magisterial District.

Mr. Osborne invited comments both in support of and in opposition to the application filed by City of Bristol, Virginia for the Clear Creek Golf Course Development.

Pat Mannix expressed opposition for the reasons neighboring property values will increase because of the development; that a driving range is included in the plan but the County Code excludes this as a permitted use; and TVA has not responded to the advertising for the public hearing to rezone the Clear Creek property.

Bobby Sproles expressed opposition to the Board of Supervisors approving a special use permit for the City of Bristol, Virginia for the proposed Clear Creek Golf Course Development.

The following speakers approached the Board of Supervisors registering their opposition to granting the special use permit:

Eric McCracken; Ralph Branson; Darin Chapel; Tom Davenport; Bill Easterly; Horace Counts.

There being no further comments, Mr. Osborne declared the public hearing closed.

On motion of Mr. Ingle, second by Mr. Derting, it was resolved to approve Special Use Permit for the City of Bristol, Virginia for the Clear Creek Golf Course Development to construct and operate a 18 hole public golf course with surrounding residential development on approximately 433 acres of property located on State Route 625 adjacent to the Clear Creek Lake in an R-2 (Residential, General) zone, Wilson Magisterial District.

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

| | | | | | |
|---|---|---|---|---|---|
| Mr. Mathews | Aye | Mr. Ingle | Aye | Mr. Derting | Aye |
| Mr. Osborne | Aye | Mr. Parris | Aye | Mr. Barker | Aye |
| Mrs. Mumpower | Aye | | | | |

For the benefit of the audience, Mr. Derting commented Clear Creek and Beaver Creek were developed in 1966 by TVA to reduce flooding in Bristol, Virginia. He stated the property was located within Washington County, TVA many years ago offered the property to Washington County Board of Supervisors, however, Washington County Board of Supervisors at that time refused the offer. Mr. Derting stated the Clear Creek property is presently undeveloped, is not producing any revenue for the City of Bristol or Washington County, and explained the Board of Supervisors is trying to enter into an agreement with the City of Bristol whereby both Washington County and the City of Bristol will share financially in the benefits of its development. He stated most of the farm land in that area is in agricultural use and the development will not affect the taxable values. He concluded he respects the views of people concerned about access to the Lake for fishing, and there needs to be provision to protect public access.

*****

(3) PAR Ventures, Inc. on behalf of the Industrial Development Authority of Washington County: Request to rezone approximately 8.72 acres of property located on the South side of U.S. State Route 11 and formerly known as the Simmons-Rand property from M-1 (Industrial, Limited) to B-2 (Business, General), Wilson Magisterial District.

Mr. Osborne invited comments both in support of and in opposition to the application filed by PAR Ventures, Inc. on behalf of the Industrial Development Authority of Washington County.

Patrick Mannix expressed his opposition to rezoning the Simmons-Rand property to Business, General. He asked for the names of the officers of PAR Ventures, Inc.

Bobby Sproles requested an immediate list of owners or stock holders of Par Ventures, Inc. under the Freedom of Information Act.

There being no further comments, Mr. Osborne declared the public hearing closed.

On motion of Mrs. Mumpower, second by Mr. Ingle, it was resolved to approve PAR Ventures, Inc. (on behalf of the Industrial Development Authority of Washington County) request to rezone approximately 8.72 acres of property located on the South side of U.S. State Route 11 and formerly known as the Simmons-Rand property from M-1 (Industrial, Limited) to B-2 (Business, General), Wilson Magisterial District.

The vote on this motion was as follows (6-0-1):

| | | | | | |
|---|---|---|---|---|---|
| Mr. Mathews | Abstain | Mr. Ingle | Aye | Mr. Derting | Aye |
| Mr. Osborne | Aye | Mr. Parris | Aye | Mr. Barker | Aye |
| Mrs. Mumpower | Aye | | | | |

Mr. Mathews asked the record reflect the reason he abstained from voting is that he voted against the original motion.

**********

9. Recess

On motion of Mr. Barker, second by Mr. Derting, it was resolved to take a brief recess.

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

| | | | | | |
|---|---|---|---|---|---|
| Mr. Mathews | Aye | Mr. Ingle | Aye | Mr. Derting | Aye |
| Mr. Osborne | Aye | Mr. Parris | Aye | Mr. Barker | Aye |
| Mrs. Mumpower | Aye | | | | |

**********

Public Hearing to receive comments on $2,720,000 School Bond Issuance

Mr. Ronald Walls, Director of Administration, Washington County Public Schools, was present and explained the reason for holding the public hearing. He responded to questions from the Board.

Mr. Osborne invited comments both in support of and in opposition to the issuance of $2,720,000 in School Bonds.

There being no comments, Mr. Osborne declared the public hearing closed.

On motion of Mr. Mathews, second by Mr. Ingle, it was resolved to adopt the following resolution:

RESOLUTION OF THE BOARD OF SUPERVISORS
OF THE COUNTY OF WASHINGTON, VIRGINIA,
AUTHORIZING THE ISSUANCE OF NOT TO EXCEED
$2,720,000.00 GENERAL OBLIGATION SCHOOL BONDS
OF THE COUNTY OF WASHINGTON, VIRGINIA SERIES 1995 B,
TO BE SOLD TO THE VIRGINIA PUBLIC SCHOOL AUTHORITY
AND PROVIDING FOR THE FORM AND DETAILS THEREOF.

WHEREAS, on March, 1995, the Commonwealth of Virginia Board of Education (the "Board of Education") placed the application (the Application") of the School Board of Washington County, Virginia (the "School Board"), for a loan of $2,720,000.00 (the "Literary Fund Loan") from the Literary Fund, a permanent trust fund established by the Constitution of Virginia (the "Literary Fund"), for the construction, renovation and

expansion of school buildings (the "Project") in Washington County, Virginia (the "County"), on the First Priority Waiting List;

WHEREAS, the Board of Education was to have approved the release of Literary Fund moneys to the School Board and make a commitment to loan such moneys to the School Board (the "Commitment") within one (1) year of placement of the Application on the First Priority Waiting List upon receipt of the Literary Fund of an unencumbered sum available at least equal to the amount of the Application and the approval, by the Board of Education, of the Application as having met all conditions for a loan from the Literary Fund;

WHEREAS, the Board of Education was thereafter to have given advances on the amount of the Commitment for the Literary Fund Loan to the School Board, as construction or renovation of the Project progressed, in exchange for temporary notes from the School Board to the Literary Fund (the "Temporary Notes") for the amounts so advanced;

WHEREAS, after completion of the Project and the advance of the total amount of the Commitment, the Temporary Notes were to have been consolidated into a permanent loan note of the School Board to the Literary Fund (the "Literary Fund Obligation") which was to evidence the obligation of the School Board to repay the Literary Fund Loan;

WHEREAS, the Literary Fund Obligation was to have borne interest at two percent (2%) per annum and mature in annual installments for a period of twenty (20) years;

WHEREAS, in connection with the 1995 Interest Rate Subsidy Program (the "Program"), the Virginia Public School Authority (the "VPSA") has offered to purchase general obligation school bonds of the County, and the Board of Education has offered to pay, to the County, a lump sum cash payment (the "Lump Sum Cash Payment") equal to the sum of (i) net present value difference, determined on the date on which the VPSA sells its bonds, between the weighted average interest that the general obligation school bonds of the County will bear upon sale to the VPSA and the interest rate that the Literary Fund Obligation would have borne plus (ii) an allowance for the costs of issuing such bonds of the County (the "Issuance Expense Allowance");

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 not to exceed $2,720,000.00 and to issue its general obligation school bonds for the purpose of financing certain capital projects for school purposes; and

WHEREAS, the County held a public hearing, duly noticed, on September 26, 1995, on the issuance of the Bonds (as defined below) in accordance with the requirements of Section 15.1-227.8.A, 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 Bonds (as hereinafter defined) and, consented to the issuance of the Bonds;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE

COUNTY OF WASHINGTON, VIRGINIA:

1. Authorization of Bonds and Use of Proceeds. The Board hereby determines that it is advisable to contract a debt and issue and sell its general obligation school bonds in an aggregate principal amount not to exceed $2,720,000.00 (the "Bonds") for the purpose of financing certain capital projects for school purposes. The Board hereby authorizes the issuance and sale of the Bonds in the form and upon the terms established pursuant to this Resolution.

2. Sale of Bonds. It is determined to be in the best interest of the County to accept the offer of the Virginia Public School Authority (the "VPSA") to purchase from the County, and to sell to the VPSA, the Bonds at par upon the terms established pursuant to this Resolution. 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 enter into a Bond Sale Agreement dated as of October 17, 1995, with VPSA providing for the sale of the Bonds to the VPSA in substantially the form submitted to the Board at this meeting, which form is hereby approved (the "Bond Sale Agreement").

3. Details of the Bonds. The Bonds shall be issuable in fully registered form; shall be dated the date of issuance and delivery of the Bonds; shall be designated "General Obligation School Bonds, Series 1995 B"; shall bear interest from the date of delivery thereof payable semi-annually on each January 15 and July 15 beginning July 15, 1996 (each an "Interest Payment Date"), at the rates established in accordance with Section 4 of this Resolution; and shall mature on July 15 in the years (each a "Principal Payment Date") and in the amounts set forth on Schedule I attached hereto (the "Principal Installments"), 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 the VPSA, provided that each interest rate shall be ten one-hundredths of one percent (0.10%) over the interest rate to be paid by the VPSA for the corresponding principal payment date of the bonds to be issued by the VPSA (the "VPSA Bonds"), a portion of the proceeds of which will be used to purchase the Bonds, and provided further, that the true interest cost of the Bonds does not exceed eight percent (8%) per annum. The Interest Payment Dates and the Principal Installments are subject to change at the request of the VPSA. The County Administrator is hereby authorized and directed to accept changes in the Interest Payment Dates and the Principal Installments at the request of the VPSA, provided that the aggregate principal amount of the Bonds shall not exceed the amount authorized by this Resolution. The execution and delivery of the Bonds as described in Section 8 hereof shall conclusively evidence such interest rates established by the VPSA and Interest Payment Dates and the Principal Installments requested by the VPSA as having been so accepted as authorized by this Resolution.

5. Form of the Bonds. For as long as the VPSA is the registered owner of the Bonds, the Bonds shall be in the form of a single, temporary typewritten bond substantially in the form attached hereto as Exhibit A.

6. Payment: Paying Agent and Bond Registrar. The following provisions shall apply to the bonds:

(a) For as long as the VPSA is the registered owner of the Bonds, all payments of principal, premium, if any, and interest on the Bonds shall be made in immediately available funds to the VPSA at, or before 11:00 a.m. on the applicable Interest Payment Date or Principal Payment Date, 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 preceding such Interest Payment Date or Principal Payment Date.

(b) All overdue payments of principal and, to the extent permitted by law, interest shall bear interest at the applicable interest rate or rates on the Bonds.

(c) Crestar Bank, Richmond, Virginia, is designated as Bond Registrar and Paying Agent for the Bonds.

7. No Redemption or Prepayment. The Principal Installments of the Bonds shall not be subject to redemption or prepayment. Furthermore, the Board covenants, on behalf of the County, not to refund or refinance the Bonds without first obtaining the written consent of the VPSA or the registered owner of the Bonds.

8. Execution of the Bonds. The Chairman or Vice Chairman and the Clerk or any Deputy Clerk of the Board are authorized and directed to execute and deliver the Bonds and to affix the seal of the county thereto.

9. Pledge of Full Faith and Credit. For the prompt payment of the principal of and premium, if any, and the interest on the Bonds 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 Bonds shall be outstanding there shall be levied and collected in accordance with the 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 premium, if any, and the interest on the Bonds as such principal, premium, if any, and interest 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.

10. Use of Proceeds Certificate and Certificate as to Arbitrage. 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 a Certificate as to Arbitrage and a Use of Proceeds Certificate each setting forth the expected use and investment of the proceeds of the Bonds and containing such covenants as may be necessary in order to show compliance with the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), and applicable regulations relating to the exclusion from gross income of interest on the Bonds and on the VPSA Bonds except as provided below. The Board covenants on behalf of the County that (i) the proceeds from the issuance and sale of the Bonds will be invested and expended as set forth in such Certificate as to Arbitrage and such Use of

Proceeds Certificate 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 Code so that interest on the Bonds and on the VPSA Bonds will remain excludable from gross income for Federal income tax purposes.

11. 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 to participate in the State Non-Arbitrage Program in connection with the Bonds. 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 Bonds by and among the County, the other participants in the sale of the VPSA Bonds, the VPSA, the investment manager and the depository, substantially in the form submitted to the Board at this meeting, which form is hereby approved.

12. Continuing Disclosure Agreement. 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 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.

13. 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.

14. 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 Bonds and any such action previously taken is hereby ratified and confirmed.

15. Effective Date. This Resolution shall take effect immediately.

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

| | | | | | |
|---|---|---|---|---|---|
| Mr. Mathews | Aye | Mr. Ingle | Aye | Mr. Derting | Aye |
| Mr. Osborne | Aye | Mr. Parris | Aye | Mr. Barker | Aye |
| Mrs. Mumpower | Aye | | | | |

Mr. Barker filed a statement disclosing he has a personal interest in certain aspects of the Washington County Budget related to appropriations to the Washington County School Board; that he is an employee of the Washington County School Board and appropriations to the Board could indirectly affect his position, salary, employment benefits, etc.; that he is a member of a group of employees which are affected by the amount of the appropriation to the Washington County School Board; that he can participate in this transaction fairly, objectively and in the public interest.

*****

Discussion of revenue bond sales resulted in the Board directing the County Administrator to closely coordinate efforts of Washington County School Board, the Industrial Development Authority and County officials relative to the issuance of the revenue bonds.

*****

On motion of Mr. Derting, second by Mr. Parris, it was resolved to approve the Virginia Public School Authority General Obligation School Bond Sale Agreement in an amount not to exceed the Principal amount of $2,270,000 to be effective October 17, 1995.

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

| | | | | | |
|---|---|---|---|---|---|
| Mr. Mathews | Aye | Mr. Ingle | Aye | Mr. Derting | Aye |
| Mr. Osborne | Aye | Mr. Parris | Aye | Mr. Barker | Aye |
| Mrs. Mumpower | Aye | | | | |

Mr. Barker filed a statement disclosing he has a personal interest in certain aspects of the Washington County Budget related to appropriations to the Washington County School Board; that he is an employee of the Washington County School Board and appropriations to the Board could indirectly affect his position, salary, employment benefits, etc.; that he is a member of a group of employees which are affected by the amount of the appropriation to the Washington County School Board; that he can participate in this transaction fairly, objectively and in the public interest.

*****

On motion of Mr. Mathews, second by Mr. Ingle, it was resolved to adopt the following resolution:

RESOLUTION OF THE BOARD OF SUPERVISORS
OF THE COUNTY OF WASHINGTON, VIRGINIA,
AMENDING, CORRECTING AND CLARIFYING
RESOLUTIONS ADOPTED AUGUST 22, 1995 IN CONNECTION WITH THE
VIRGINIA PUBLIC SCHOOL AUTHORITY 1995 SERIES C BOND SALE

WHEREAS, on August 22, 1995, the Board of Supervisors (the "Board") adopted two (2) resolutions referring to Virginia Public School Authority ("VPSA") Series A bond sale and Virginia Public School Authority ("VPSA") Series B bond sale and the references should have been to Virginia Public School Authority ("VPSA") Series C bond sale.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of the County of Washington, Virginia, does hereby amend, correct and clarify its prior resolutions to refer to the Virginia Public School Authority (the "VPSA") Series C bond sale.

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

| | | | | | |
|---|---|---|---|---|---|
| Mr. Mathews | Aye | Mr. Ingle | Aye | Mr. Derting | Aye |
| Mr. Osborne | Aye | Mr. Parris | Aye | Mr. Barker | Aye |
| Mrs. Mumpower | Aye | | | | |

Mr. Barker filed a statement disclosing he has a personal interest in certain aspects of the Washington County Budget related to appropriations to the Washington County School Board; that he is an employee of the Washington County School Board and appropriations to the Board could indirectly affect his position, salary, employment benefits, etc.; that he is a member of a group of employees which are affected by the amount of the appropriation to the Washington County School Board; that he can participate in this transaction fairly, objectively and in the public interest.

**********

Public Hearing to be conducted jointly by the Washington County Board of Supervisors and Representatives of the Virginia Department of Transportation for the purpose of presenting the 1995-96 Secondary Road Improvement Budget

Mr. Steve Buston, Resident Engineer, Abingdon District, Virginia Department of Transportation, was present and reviewed the distribution of funds toward projects and services identified and approved in the Six Year Plan for the period July 1, 1995 to June 30, 1996.

Mr. Buston announced there will be a public hearing scheduled in December 1995 to receive comments relative to project revisions to the next two year cycle of the current Six Year Plan.

Mr. Steve Buston and Chairman James T. Osborne jointly invited comments both in support of and in opposition to the Virginia Department of Transportation 1995-96 Secondary Road Improvement Budget.

Mr. Buston responded to Supervisors' inquiries about the status of the Jonesboro Road project and approximate beginning point of repairs on State Route 611.

Mr. Osborne inquired about the status of VDOT funding the State Route 616 slide. Mr. Buston responded the total deficit on the slide is $3.65 million and Washington County's allocation for that project is being held aside pending a decision from the Transportation Board. He suggested that VDOT allocate $1 million toward the project for FY 1995-96 pending the Transportation Board's decision on the deficit funding stating if additional funding is received, VDOT can redistribute those funds to other projects in Washington County.

Mr. Osborne inquired if this is the only time in Virginia's history whereby a County is requested to pay for slide repairs. Mr. Buston responded in the affirmative whereby Mr. Osborne expressed his opposition to approving that portion of the Secondary Road Budget dealing with SR 616 stating there is a statutory remedy provided for such situations.

Mr. Buston encouraged the Board to act on the budget so that money can be made available for other projects pending in Washington County.

There being no further comments, Mr. Osborne declared the joint public hearing closed.

Discussion among Supervisors concerning the matter of adopting the budget minus the expenditure for the slide on SR 616, and keeping the funds in escrow until the County can secure some additional help resulted in Mr. Buston responding that a similar motion approved one year ago allowed the funds, minus $1,000,000, to go to other projects pending a final decision from the Transportation Board. He stated the position of the Transportation Board has been made clear to the Board of Supervisors that they feel the County needs to bear the cost burden of the slide.

Mr. Mathews referenced devastating floods in Central Virginia and inquired if VDOT assisted the Counties involved. Mr. Buston replied that VDOT did assist other counties with their roads as did the Federal Emergency Management Agency.

On motion of Mr. Mathews, second by Mr. Parris, it was resolved to adopt the enclosed Virginia Department of Transportation Secondary System Construction Budget for FY 1995-96 with the exception of the item allocating $1,000,000 to the Nordyke Road project 0616-095-142, C501.

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

| | | | | | |
|---|---|---|---|---|---|
| Mr. Mathews | Aye | Mr. Ingle | Aye | Mr. Derting | Aye |
| Mr. Osborne | Aye | Mr. Parris | Aye | Mr. Barker | Aye |
| Mrs. Mumpower | Aye | | | | |

**********

Resolution to Declare Disaster Situation in Washington County Due to Agricultural Losses

On motion of Mr. Barker, second by Mr. Derting, it was resolved to adopt the following Resolution:

Resolution

WHEREAS, the summer of 1995 has been unusually dry and has resulted in significant agricultural losses for farmers in Washington County, and

WHEREAS, statistics obtained from the Virginia Cooperative Extension, Washington County Office, indicate the severity of such losses, as follows:

| Commodity | Loss | Value | |
|---|---|---|---|
| Tobacco | 30% | $2,000,000 | |
| Dairy | 900,000 lbs milk | | $ 117,000 |
| Beef | 1,950,000 lbs grain | $1,170,000 | |
| Corn Silage | 36,000 tons | $ 150,000 | |
| Hay | 13,500 tons | $ 877,500 | |

and;

WHEREAS, Governor George Allen has declared a statewide disaster situation due to similar serious losses generally throughout the Commonwealth of Virginia;

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of Washington County, Virginia that it hereby declares Washington County to be in a disaster situation due to such losses and urges all concerned agencies to take steps in relief assistance accordingly.

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

| | | | | | |
|---|---|---|---|---|---|
| Mr. Mathews | Aye | Mr. Ingle | Aye | Mr. Derting | Aye |
| Mr. Osborne | Aye | Mr. Parris | Aye | Mr. Barker | Aye |
| Mrs. Mumpower | Aye | | | | |

**********

Request for permit to hold Tenth Anniversary Celebration, Glade Area Recreation Corporation Board

On motion of Mr. Derting, second by Mr. Ingle, it was resolved to approve request of Glade Spring Volunteer Life Saving Crew to hold a Tenth Anniversary Celebration at the Glade Area Recreation Park on Saturday, September 30, 1995.

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

| | | | | | |
|---|---|---|---|---|---|
| Mr. Mathews | Aye | Mr. Ingle | Aye | Mr. Derting | Aye |
| Mr. Osborne | Aye | Mr. Parris | Aye | Mr. Barker | Aye |
| Mrs. Mumpower | Aye | | | | |

**********

Request to declare vehicle as surplus

On motion of Mr. Derting, second by Mrs. Mumpower, it was resolved to contribute to the Washington County School Board a 1991 Ford vehicle, VIN 2FAPP36X2MB157314, previously declared a surplus vehicle by the Washington County Sheriff's Office.

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

| | | | | | |
|---|---|---|---|---|---|
| Mr. Mathews | Aye | Mr. Ingle | Aye | Mr. Derting | Aye |
| Mr. Osborne | Aye | Mr. Parris | Aye | Mr. Barker | Aye |
| Mrs. Mumpower | Aye | | | | |

During their discussions, by consensus agreement of the Supervisors, surplus vehicles will be dispersed to agencies in the order that their request was acted upon by the Board. When the cycle is complete, it was agreed the Supervisors will then return to the School Board's request with the intent of accommodating the request with the remaining surplus vehicles.

**********

Award of contract for PC-Based LAN system

On motion of Mr. Derting, second by Mr. Parris, it was resolved to approve the purchase and installation of personal computers from Client First Services in the amount of $43,283.20 for the implementation of a County Local Area Network (LAN) System.

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

| | | | | | |
|---|---|---|---|---|---|
| Mr. Mathews | Aye | Mr. Ingle | Aye | Mr. Derting | Aye |
| Mr. Osborne | Aye | Mr. Parris | Aye | Mr. Barker | Aye |
| Mrs. Mumpower | Aye | | | | |

**********

Legislative Issues, Virginia Legislative Committee of Bristol Chamber of Commerce (Hunter Widener)

Mr. Hunter Widener, representing the Greater Bristol Area Chamber of Commerce Legislative Committee, appeared before the Board to invite the Supervisors to their monthly meetings and encouraged their participation in developing a mutual agenda on matters or issues for the next session of the General Assembly.

Mr. Mathews suggested the Legislative Committee consider submitting to the General Assembly the matter of the State returning a percentage of the Lottery money back to the locality for use in the public schools. Mr. Widener responded their Committee will take the matter up in discussions at their next legislative meeting.

**********

Citizen Comments:

At this time, Mr. Osborne invited comments from citizens on items that do not appear on the Agenda.

Bobby Sproles requested the Board of Supervisors investigate the C-4 Cable Company franchise agreement stating that the unresolved dispute with WCYB-TV5 Television Station has resulted in the cable company cancelling local service to consumers in the Benhams area and North Bristol. He requested the franchise agreement be cancelled and that the Board of Supervisors consider a cable service agreement with a company that will provide local programming service.

Mr. Barker requested the County Attorney to bring to the Board an adopted resolution urging C-4 Media Cable and WCYB Television to resolve their dispute and restore full service to the affected area, and to present it to the Supervisors for their review.

Mr. Sproles commented on annexation moratorium legislation stating the

General Assembly will deliberate on this issue during their 1996 Session. He asked the Board of Supervisors to draft a petition requesting the legislators to extend the moratorium for ten years, and offered to circulate the petition at his place of business.

Patrick Mannix referenced communication from County Attorney dated October 24, 1995 to Judge Smith, and objected to the County's representation on the case.

**********

County Administrator Comments:

The following action was taken on County Administrator comments:

a. Mount Rogers Planning District Commission Request for comments concerning People, Inc.'s Head Start Program

On motion of Mr. Barker, second by Mrs. Mumpower, it was resolved to respond to Mount Rogers Planning District Commission with a favorable review of People, Inc. intent to apply for federal and/or state aid for the Head Start program.

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

| | | | | | |
|---|---|---|---|---|---|
| Mr. Mathews | Aye | Mr. Ingle | Aye | Mr. Derting | Aye |
| Mr. Osborne | Aye | Mr. Parris | Aye | Mr. Barker | Aye |
| Mrs. Mumpower | Aye | | | | |

*****

b. Workshop on Capital Improvements Programming conducted by Dr. Don Lacy, Virginia Tech

Mr. Reeter reported the Capital Improvement Program Development Committee has arranged with Dr. Don Lacy of Virginia Tech to conduct a workshop on capital improvements program development at the county level on Thursday, October 26, 1995, 7:00 p.m. He stated the CIP Development Committee has invited elected and appointed officials of the Board of Supervisors, Washington County School Board, Washington County Service Authority, Industrial Development Authority, and the Washington County Planning Commission to this workshop.

*****

c. Communications

The following communications were received:

Interoffice Communications:

:: Emergency Services Coordinator concerning drought status in Washington County; Executive Order from Governor Allen declaring state of emergency;
:: Superintendent, Washington County Public Schools, concerning comparison of composite indexes by county and city and the impact to Washington County;

During discussion of the composite index Mr. Ingle inquired about the County supporting the School Board position with a resolution to be forwarded to the legislators. Messrs. Reeter and Lyle will contact Dr. George Stainback and develop a resolution requesting the General Assembly to correct some of the funding disparities.

Federal, State and Local Representatives:

:: Department of Housing and Community Development concerning CIG #93-33, Final Compliance Review;
:: Department of Transportation concerning revised roadway and structure lighting policy;

General Correspondence:

:: Mount Rogers Planning District Commission concerning participation in Census Bureau's update of census tracks and block groups for year 2000 Census;
:: Southwest Virginia Community Corrections' Notice of Community Criminal Justice Board Organizational Meeting scheduled Tuesday, October 3, 1995;
:: Washington County Leadership Development Program extending invitation to the Board of Supervisors to attend Leadership Class on Thursday, October 12, 1995, at the County Administration Building;

Supervisors Osborne, Barker, Derting and Parris expressed their interest in attending the Leadership Class.

:: Virginia Association of Counties concerning 1995 Annual Meeting;

On motion of Mr. Barker, second by Mr. Ingle, it was resolved to authorize the County Administrator to attend the Virginia Association of Counties Annual Meeting, November 12-14, 1995, Hot Springs, VA.

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

| | | | | | |
|---|---|---|---|---|---|
| Mr. Mathews | Aye | Mr. Ingle | Aye | Mr. Derting | Aye |
| Mr. Osborne | Aye | Mr. Parris | Aye | Mr. Barker | Aye |
| Mrs. Mumpower | Aye | | | | |

:: Washington County Chamber of Commerce concerning Industrial Appreciation Golf Tournament, October 16, 1995, Virginian.

*****

d. Reminders

**********

County Attorney's Reports

Mr. Lyle reported the public hearing for the Virginia Highlands Cable franchise agreement is scheduled for Tuesday, October 24, 1995.

**********

Consent Agenda:

On motion of Mr. Barker, second by Mr. Derting, it was resolved to approve the following consent agenda items:

a. Appropriation of Heat Wave Grant to Training, Line Item No. 3840, $1,400.00

b. Appropriation of Virginia preschool Initiative Grant Line Item No. 5645, $19,202.00

c. Request for refund, Solid Waste Fee - K-VAT Food Stores, $228.69

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

| | | | | | |
|---|---|---|---|---|---|
| Mr. Mathews | Aye | Mr. Ingle | Aye | Mr. Derting | Aye |
| Mr. Osborne | Aye | Mr. Parris | Aye | Mr. Barker | Aye |
| Mrs. Mumpower | Aye | | | | |

Mr. Rob Goldsmith, Executive Director, People Incorporated, was in the audience and affirmed People Incorporated has the matching funds for the Virginia Preschool Initiative grant.

**********

Board Member Reports

Mr. Osborne presented several petitions for submission to the Virginia Department of Transportation requesting road improvements on State Route 714.

**********

Executive session pursuant to Section 15.1-945.7(D) and Section

2.1-344(A)(7) of the 1950 Code of Virginia, as amended, to consider the City of Bristol's proposed Intermodal Annexation/Revenue Sharing Agreement of the Clear Creek Property and for legal advice as to the procedures for approval and the legal effect of such agreement, and pursuant to Section 2.1-344(A)(3) of the 1950 Code of Virginia, as amended, for discussion and/or consideration of the condition, acquisition or use of the Simmons-Rand property for the Departments of Health and Social Services and any other county agency.

On motion of Mr. Ingle, second by Mr. Derting, it was resolved to go into executive session pursuant to Section 15.1-945.7(D) and Section 2.1-344(A)(7) of the 1950 Code of Virginia, as amended, to consider the City of Bristol's proposed Interlocal Annexation/Revenue Sharing Agreement of the Clear Creek Property and for legal advice as to the procedures for approval and the legal effect of such agreement, and pursuant to Section 2.1-344(A)(3) of the 1950 Code of Virginia, as amended, for discussion and/or consideration of the condition, acquisition or use of the Simmons-Rand property for the Departments of Health and Social Services and any other county agency.

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

| | | | | | |
|---|---|---|---|---|---|
| Mr. Mathews | Aye | Mr. Ingle | Aye | Mr. Derting | Aye |
| Mr. Osborne | Aye | Mr. Parris | Aye | Mr. Barker | Aye |
| Mrs. Mumpower | Aye | | | | |

*****

On motion of Mr. Barker, second by Mr. Derting, it was resolved to come out of executive session and proceed with business at hand in public as required by law.

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

| | | | | | |
|---|---|---|---|---|---|
| Mr. Mathews | Aye | Mr. Ingle | Aye | Mr. Derting | Aye |
| Mr. Osborne | Aye | Mr. Parris | Aye | Mr. Barker | Aye |
| Mrs. Mumpower | Aye | | | | |

On motion of Mr. Derting, second by Mr. Parris, it was resolved to adopt the following certification:

WHEREAS, the Washington County Board of Supervisors has convened an executive 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, 2.1-344.1 of the Code of Virginia requires a certification by the Washington County Board of Supervisors that such executive meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED that the Washington County Board of Supervisors 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 executive meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion of convening the executive meeting were heard, discussed or considered by the Washington County Board of Supervisors.

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

| | | | | | |
|---|---|---|---|---|---|
| Mr. Mathews | Aye | Mr. Ingle | Aye | Mr. Derting | Aye |
| Mr. Osborne | Aye | Mr. Parris | Aye | Mr. Barker | Aye |
| Mrs. Mumpower | Aye | | | | |

*****

On motion of Mr. Ingle, second by Mr. Derting, it was resolved that Washington County will enter into an agreement in principal with the City of Bristol, Virginia that will:

(1) Call for a boundary adjustment involving parcels identified as the Clear Creek property, Sugar Hollow property and the Withers Estate property, allowing the City of Bristol to incorporate these parcels of property within their boundaries in return for an annexation moratorium for a period of 15 years covering a radius of one mile around the boundary of these properties;

(2) Share revenues at the City of Bristol's tax rate on any developments within the boundary of these properties based on a schedule of Washington County receiving 60% of the revenue for the first five years, 40% for the period five years to ten years, and 25% for a period of ten years thereafter;

(3) State the City of Bristol will maintain a position of neutrality on any property owner initiated annexation requests that might occur in the area subject to the 15 year moratorium;

further, it was resolved the County will proceed with the legal documentation required to finalize this agreement; further, the effective date of this agreement will be upon execution of the agreement by both governing bodies, and the effective date of annexation would not be until a date determined after review by the Commission on Local Government and approvals as may be required by law.

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

| | | | | | |
|---|---|---|---|---|---|
| Mr. Mathews | Aye | Mr. Ingle | Aye | Mr. Derting | Aye |
| Mr. Osborne | Aye | Mr. Parris | Aye | Mr. Barker | Aye |
| Mrs. Mumpower | Aye | | | | |

On motion of Mrs. Mumpower, second by Mr. Ingle, it was resolved to execute a lease agreement with the Industrial Development Authority of Washington County on the Simmons Rand building.

The vote on this motion was as follows (6-0-1):

| | | | | | |
|---|---|---|---|---|---|
| Mr. Mathews | Abstain | Mr. Ingle | Aye | Mr. Derting | Aye |
| Mr. Osborne | Aye | Mr. Parris | Aye | Mr. Barker | Aye |
| Mrs. Mumpower | Aye | | | | |

Mr. Mathews asked that the record reflect the reason he abstained is for the reason that he voted against the original motion to support the acquisition of the Simmons Rand property.

**********

Adjournment

On motion of Mr. Barker, second by Mr. Parris, it was resolved to adjourn the meeting.

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

| | | | | | |
|---|---|---|---|---|---|
| Mr. Mathews | Aye | Mr. Ingle | Aye | Mr. Derting | Aye |
| Mr. Osborne | Aye | Mr. Parris | Aye | Mr. Barker | Aye |
| Mrs. Mumpower | Aye | | | | |

_____

James T. Osborne, Chairman