V I R G I N I A:

At a recessed meeting of the Washington County Board of Supervisors held Thursday, May 20, 2004, at 7:00 p.m., at the County Administration Building in Abingdon, Virginia, the following were present:

PRESENT:

John B. Roberts, Sr., Chairman
Phillip B. McCall, Vice Chairman
Bobby D. Ingle
Dulcie M. Mumpower
Odell Owens
Anthony S. Rector
Kenneth O. Reynolds

Mark K. Reeter, County Administrator
Lucy E. Phillips, County Attorney
Mark W. Seamon, Accounting Manager
Naoma A. Mullins, Administrative Supervisor

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1 Call to Order and Welcome

The meeting was called to order by Mr. John Roberts, Chairman of the Board, who welcomed everyone in attendance.

2 Invocation and Pledge of Allegiance

Supervisor Tony Rector gave the Invocation and led the Pledge of Allegiance.

3 Approval of Agenda

On motion of Mr. Rector, second by Mr. Reynolds, it was resolved to approve the agenda with the following amendment:

Addition of New Item 6 ***Presentation of Development Proposal and Consideration of Incentive Package, The Highlands Commercial Development, Newton Oldacre McDonald, LLC***

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

Mr. Ingle	***Aye***
Mr. McCall	***Aye***
Mrs. Mumpower	***Aye***
Mr. Owens	***Aye***
Mr. Rector	***Aye***
Mr. Reynolds	***Aye***

Mr. Roberts ***Aye***

4 Statement Concerning Purpose of Recessed Meeting:

For the benefit of the audience, County Administrator Mark Reeter stated the purpose of the recessed meeting and invited comments by representatives of departments and agencies that submitted budget requests to the County for FY 2004-2005.

a. Comment Period Opens

The following individuals representing agencies and organizations seeking funding from the County for FY 2004-05 made presentations before the Board:

Kent Simcox, Executive Director, Big Brothers/Big Sisters
Pamela Irvine, Executive Director, Southwest Virginia Second Harvest
Sue Wright, Executive Director, Bristol Speech and Hearing
Tom Taylor, Executive Director, Mount Rogers Planning District Commission
Jim White, President, Whites Mill Foundation
Dr. David Wilkin, President, Virginia Highlands Community College

Discussion ensued among the Board regarding the budget request for FY 2004-2005 for Virginia Highlands Community College (VHCC). It was consensus of the Board to authorize Administration at VHCC to withdraw funds from the money that Washington County contributed to the Access Road Account to be used toward certain building projects on campus, as mentioned in the budget presentation, that the State will not fund. The Board agreed to place money back into the Access Road Account as funds become available.

Lisa Alderman, Director of Development, Barter Theatre
Phil Blevins, Washington County Extension Office
Russell Owens, Chairman, Industrial Development Authority of Washington County

b. Comment Period Closes

There being no further speakers to address the Board, Mr. Roberts declared the comment period closed.

5. Recess

On motion of Mr. McCall, second by Mr. Rector, it was resolved to take a ten-minute recess.

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

Mr. Ingle ***Aye***
Mr. McCall ***Aye***
Mrs. Mumpower ***Aye***
Mr. Owens ***Aye***
Mr. Rector ***Aye***
Mr. Reynolds ***Aye***
Mr. Roberts ***Aye***

6. Presentation of Development Proposal and Consideration of Incentive Package, The Highlands Commercial Development, Newton Oldacre McDonald, LLC

County Administrator Mark Reeter addressed the Board explaining that developer Newton Oldacre McDonald, LLC of Nashville, TN in partnership with property owner Mack Trammell is proposing the development of a 600,000+ square foot commercial development on the Trammell property in the Exit 7 area. Mr. Reeter further explained that the County has been working with the developer on an incentive proposal. He advised the Board that at their stations were copies of materials relative to the proposed development. Specifically, Mr. Reeter pointed out the proposed Incentive Package Proposal for their consideration and a letter from Newton Oldacre McDonald, LLC dated May 19, 2004.

At this time, Mr. Reeter introduced Mr. Mike McGuffin of Newton Oldacre McDonald.

Mr. Mark McGuffin gave a presentation on the proposed retail commercial development and provided the Board with background information for Newton Oldacre McDonald. Mr. McGuffin explained that Newton Oldacre McDonald is a shopping center development company with offices in Nashville, TN, Prattville, AL and Cincinnati, OH. They currently have approximately one and one-half million square feet of retail building space under construction.

Mr. McGuffin explained that the proposed development, which will be named *The Highlands*, would take place in two phases involving a large strip-type shopping center. The majority of the development would occur within Washington County, with a number of out parcels lying within the City of Bristol.

Mr. McGuffin reviewed a drawing of the proposed development, as well as a similar development currently under construction in Opelika, AL.

Assistant County Administrator Christy Parker reviewed with the Board the proposed Incentive Package Proposal for the proposed commercial development.

Discussion ensued among the Board. Board members expressed their enthusiasm and honor that a commercial development of this magnitude would locate in Washington County.

Supervisor Dulcie Mumpower addressed the Board explaining that the proposed commercial development is a tremendous project for the citizens of Washington County and she is honored to have it locate within her district.

On motion of Mrs. Mumpower, second by Mr. Ingle, the Board acted to approve the Incentive Package Proposal for The Highlands Commercial Development dated May 20, 2004, and to authorize the County Administrator to acknowledge Newton Oldacre McDonald's May 19 correspondence as seen and accepted by the Board of Supervisors.

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

Mr. Ingle	***Aye***
Mr. McCall	***Aye***
Mrs. Mumpower	***Aye***
Mr. Owens	***Aye***
Mr. Rector	***Aye***
Mr. Reynolds	***Aye***
Mr. Roberts	***Aye***

Scrivener's Note: The above referenced correspondence and Incentive Package Proposal referenced above is included as Minutes Exhibits Item 2004-05-20-A.

7 Recess to May 24, 2004, 7:00 PM for Joint Meeting with Washington County School Board, Washington County School Board Offices, 812 Thompson Drive, Abingdon

On motion of Mr. Rector, second by Mr. Ingle, it was resolved to recess to May 24, 2004, at 7:00 PM for a joint meeting with Washington County School Board, Washington County School Board Offices, 812 Thompson Drive, Abingdon.

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

Mr. Ingle	***Aye***
Mr. McCall	***Aye***
Mrs. Mumpower	***Aye***
Mr. Owens	***Aye***
Mr. Rector	***Aye***
Mr. Reynolds	***Aye***
Mr. Roberts	***Aye***

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Prepared by:

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Naoma A. Mullins, Recording Clerk

Approved by the Washington County Board of Supervisors:

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John B. Roberts, Chairman