

**VIRGINIA:**

At a recessed meeting of the Washington County Board of Supervisors held Tuesday, January 15, 2013, at 6:47 p.m., at the County Government Center in Abingdon, Virginia the following were present:

**PRESENT:**

Joseph C. Straten, Chairman  
Phillip B. McCall, Vice Chairman  
William B. Gibson  
Dulcie M. Mumpower  
Odell Owens  
Randy L. Pennington  
C. Wayne Stevens, Jr.

Nadine S. Culberson, County Administrator  
Lucy E. Phillips, County Attorney  
Naoma A. Norris, CAP, Executive Assistant/Recording Clerk

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**1. Call to Order**

The meeting was called to order by Mr. Joseph Straten, Chair of the Board, who welcomed everyone in attendance.

**2. Invocation and Pledge of Allegiance**

Supervisor Phillip McCall gave the Invocation and led the Pledge of Allegiance.

**3. Approval of Agenda**

Mr. Straten reviewed an amended agenda.

*On motion of second by Mr. Owens, second by Mr. Stevens, it was resolved to approve the agenda with the following amendments:*

**New Item 4.a.**

*Consideration of Resolution to Oppose the Use of Sales Tax Incentives, as Authorized by Virginia Code Section 58.1-608.3(B), to Support Relocation of Washington County, Virginia, Businesses to the City of Bristol, Virginia, The Falls, Development*

**New Item 4.b.**

*Consideration of Authorization to Approve a Not to Exceed Amount to Retain a Lobbyist in Support of the Washington County Board of Supervisors Proposed Amendment to Virginia Code Section 58-1-608.3(B) to Include Washington County, Virginia*

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

<i>Mr. Gibson</i>	<i>Aye</i>
<i>Mr. McCall</i>	<i>Aye</i>
<i>Ms. Mumpower</i>	<i>Aye</i>
<i>Mr. Owens</i>	<i>Aye</i>
<i>Mr. Pennington</i>	<i>Aye</i>
<i>Mr. Stevens</i>	<i>Aye</i>
<i>Mr. Straten</i>	<i>Aye</i>

**4.a Consideration of Resolution To Oppose the Use of State Sales Tax Incentives, As Authorized by Virginia Code Section 58.1-608.3(B), to Support Relocation of Washington County, Virginia, Businesses To The City of Bristol, Virginia, The Falls, Development**

Ms. Mumpower made a report to the Board about legislative activities in the General Assembly and meetings with the County's legislative representatives concerning a bill the City of Bristol is trying to get passed that would allow use of state sales tax revenues to offer incentives to Washington County businesses to entice them to relocate to *The Falls* Development.

Ms. Phillips, County Attorney, provided a review of the proposed Resolution and explained the resolution opposes the City of Bristol's ability to use their sales tax revenue as authorized by Virginia Code Section 58.1-608.3(B) to incent businesses located in Washington County to the City's Exit 5, *The Falls*, retail development. She commented if allowed, the result would be significant loss of sales tax revenues to Washington County and loss of revenues also to the Commonwealth of Virginia.

Ms. Christy Parker, Director of Economic Development and Community Relations, addressed the Board providing additional remarks concerning the City of Bristol's proposed legislation and its impact to Washington County. She commented the proposed Resolution would express the Board's position on the matter to the General Assembly and members of the House and Senate Finance Committees. Ms. Parker stated if adopted, the Resolution along with a letter, which she reviewed with the Board, would be sent to all legislators in Southwest Virginia south of Montgomery County, Senate and House Finance Committee Members, the Virginia Department of Taxation, and to the City of Bristol opposing the proposed legislation.

*On motion of Mr. Owens, second by Mr. Stevens, the Board acted to adopt the following Resolution and authorize correspondence in support to be sent to State legislators and other appropriate state officials:*

**RESOLUTION 2013-03  
REGARDING RELOCATION OF EXISTING BUSINESS  
AND  
VIRGINIA CODE SECTION 58.1-608.3(B)**

*WHEREAS, the Virginia General Assembly strengthened the competitive position of the City of Bristol, Virginia relative to Tennessee border localities by enactment in 2012 of Virginia Code section 58.1-608.3(B), which established a mechanism for the City of Bristol, Virginia to fund economic incentives by use of sales tax revenues from such developments;*

*WHEREAS, Code section 58.1-608.3(B) allowed the use of sales tax revenues to incentivize a development of regional impact, as defined by same statute to be a development that will require a capital investment of at least \$50 million and that would reasonably be expected to generate at least \$5 million annually in state sales and use tax revenue from sales within the development, to attract at least one million visitors annually, and to create at least 2,000 permanent jobs;*

*WHEREAS, the legislation was clearly intended to result in creation of new jobs and new sales tax revenues, which would not cause a loss to the Commonwealth by dedication of the new sales tax revenues to support local incentives for such new development of regional impact; and*

*WHEREAS, using the sales tax revenues to incentivize relocation into the City of Bristol of business existing already in another Virginia locality would not serve the purposes of creating new sales tax revenues or new jobs but would instead result in loss of sales tax revenues to the Commonwealth and to the former locality of the business as well as relocation of jobs rather than creation of new jobs.*

*NOW, THEREFORE, ON THE BASIS OF THE FOREGOING, as well as other good and fair considerations, the Board of Supervisors of the County of Washington, Virginia, hereby resolves as follows:*

- 1. The Board petitions the General Assembly to amend Virginia Code section 58.1-608.3(B) to disallow counting relocation of retailers to the City from another Virginia locality toward satisfaction of the threshold requirements for creation of new sales tax revenues and new job creation for eligibility for the City to receive sales tax revenues under Code section 58.1-608.3(B); and*
- 2. The Board petitions the individuals and entities who review the "written report" from the City of Bristol regarding its proposed "development of regional impact;" namely the Chairpersons of the House Committee on Finance, House Committee on Appropriations, Senate Committee on Finance and Virginia Department of Finance; to disallow counting relocation to the City of retailers from Washington County, Virginia, or any other Virginia locality, toward satisfaction of the threshold requirements for creation of new sales tax revenues and new job creation for eligibility for the City to receive sales tax revenues under Code section 58.1-608.3(B)*

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

<i>Mr. Gibson</i>	<i>Aye</i>
<i>Mr. McCall</i>	<i>Aye</i>
<i>Ms. Mumpower</i>	<i>Aye</i>
<i>Mr. Owens</i>	<i>Aye</i>
<i>Mr. Pennington</i>	<i>Aye</i>
<i>Mr. Stevens</i>	<i>Aye</i>
<i>Mr. Straten</i>	<i>Aye</i>

**4.b Consideration of Authorization to Approve a Not to Exceed Amount to Retain a Lobbyist in Support of the Washington County Board of Supervisors Proposed Amendment to Virginia Code Section 58-1-608.3(B) to Include Washington County, Virginia**

Ms. Mumpower explained that it is recommended that the County retain a lobbyist to be in Richmond working on legislative issues on behalf of the County. Particularly, House Bill 1844 and the companion Senate Bill to amend Virginia Code Section 58.1-608(B) to include Washington County, Virginia. She commented because of the pace of activity in Richmond, retention of a lobbyist would be of great benefit to the County's legislative efforts. Ms. Mumpower stated that Mr. Dean Lynch with the Virginia Association of Counties has also stated he will assist Washington County should the Board choose to go forward with retaining a lobbyist. She explained the Board is asked to authorize up to \$20,000 to hire a lobbyist.

Discussions ensued among the Board.

*On motion of Ms. Mumpower, second by Mr. McCall, the Board acted to approve \$20,000 be moved from Reserve for Contingencies to fund a line item in the Board of Supervisors budget for retention of a lobbyist in support of House Bill 1844 and its associated Senate Bill.*

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

<i>Mr. Gibson</i>	<i>Aye</i>
<i>Mr. McCall</i>	<i>Aye</i>
<i>Ms. Mumpower</i>	<i>Aye</i>
<i>Mr. Owens</i>	<i>Aye</i>
<i>Mr. Pennington</i>	<i>Aye</i>
<i>Mr. Stevens</i>	<i>Aye</i>
<i>Mr. Straten</i>	<i>Aye</i>

**5. Closed Meeting:**

- a. Request to Convene in Closed Meeting as Authorized by Virginia Code Section 2.2-3711(A)(1), for Discussion, Consideration, or Interviews of Prospective Candidates for Employment, more specifically Regarding the Position of County Administrator

*On motion of Mr. Pennington, second by Mr. Stevens, the Board acted to convene in Closed Meeting as authorized by Virginia Code Section 2.2-3711(A)(1), for discussion, consideration, or interviews of prospective candidates for employment, more specifically regarding the position of County Administrator. County Administrator Nadine Culberson and County Attorney Lucy Phillips were asked to participate in the Closed Meeting.*

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

<i>Mr. Gibson</i>	<i>Aye</i>
<i>Mr. McCall</i>	<i>Aye</i>
<i>Ms. Mumpower</i>	<i>Aye</i>
<i>Mr. Owens</i>	<i>Aye</i>
<i>Mr. Pennington</i>	<i>Aye</i>

*Mr. Stevens*            *Aye*  
*Mr. Straten*            *Aye*

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

*After returning to the meeting, the Chairperson noted that upon motion of Ms. Mumpower, second by Mr. Owens, 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. McCall, second by Mr. Owens, 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)*

*Mr. Gibson*            *Aye*  
*Mr. McCall*            *Aye*  
*Ms. Mumpower*        *Aye*  
*Mr. Owens*            *Aye*  
*Mr. Pennington*       *Aye*  
*Mr. Stevens*           *Aye*  
*Mr. Straten*            *Aye*

6.            **Adjourn or Recess**

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

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

*Mr. Gibson*            *Aye*  
*Mr. McCall*            *Aye*  
*Ms. Mumpower*        *Aye*  
*Mr. Owens*            *Aye*  
*Mr. Pennington*       *Aye*  
*Mr. Stevens*           *Aye*  
*Mr. Straten*            *Aye*

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**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