

VIRGINIA: A REGULAR MEETING OF THE SURRY COUNTY BOARD OF SUPERVISORS HELD IN THE GENERAL DISTRICT COURTROOM OF THE COUNTY GOVERNMENT CENTER ON JULY 2, 2009 AT 7:00 P.M.

PRESENT: SUPERVISOR M. SHERLOCK HOLMES, CHAIRMAN
 SUPERVISOR JOHN M. SEWARD, VICE-CHAIRMAN
 SUPERVISOR ERNEST L. BLOUNT
 SUPERVISOR REGINALD O. HARRISON
 SUPERVISOR JUDY S. LYTTLE

ALSO

PRESENT: MR. TYRONE W. FRANKLIN, COUNTY ADMINISTRATOR
 MRS. MELISSA D. ROLLINS, DIRECTOR OF FINANCE & TECHNOLOGY
 MR. WILLIAM HEFTY, COUNTY ATTORNEY
 MS. GAIL P. CLAYTON, CLERK OF CIRCUIT COURT
 MRS. VALERIE PIERCE, DIRECTOR OF SOCIAL SERVICES
 MR. ERVIN A. JONES, DIRECTOR OF PARKS & RECREATION
 SHERIFF HAROLD D. BROWN

I. CALL TO ORDER/MOMENT OF SILENCE/PLEDGE OF ALLEGIANCE

The meeting was called to order by Chairman Holmes. Chairman Holmes asked for a moment of silence. Following the moment of silence, he asked the citizens to stand and say the pledge of allegiance.

II. CONSENT ITEMS

- Approval of June 4, 2009 Minutes
- Approval of **June, 2009**

	Accounts Payable	Additional	Total
General Fund	- \$ 180,155.37	\$ 3,975.65	\$184,131.02
Debt Service	- \$ -0-	\$ -0-	\$ -0-
Capital	- \$ 368,548.17	\$ -0-	\$368,548.17
Water & Sewer	- \$ 918.72	\$ -0-	\$ 918.72
Totals	- \$ 549,622.26	\$ 3,975.65	\$553,597.91
- Approval of July, 2009

	Accounts Payable	Additional	Total
General Fund	- \$158,776.07	\$ 1,023.20	\$159,799.27
Debt Service	- \$188,133.82	\$ -0-	\$188,133.82
Capital	- \$ -0-	\$ -0-	\$ -0-
Water & Sewer	- \$ -0-	\$ -0-	\$ -0-
Totals	- \$346,909.89	\$ 1,023.20	\$347,933.09
- Appropriation Requests – **July, 2009**

A. School System	\$1,230,448.00
B. Department of Social Services	\$ 170,000.00

C. General Fund 1st Quarter		
General Government	-	\$2,318,548.75
Special Funds	-	\$ 92,500.00
Debt Service	-	\$1,000,000.00
Water & Sewer	-	\$ 100,000.00
Capital Projects	-	\$ 370,000.00
Totals	-	\$3,881,048.75

- **FY 08-09 Budget Amendment**

- A. School System/Food Services Category Commodities Revenue - \$34,532.00**

Vice-Chairman Seward moved to approve the consent items as enumerated; Supervisor Blount seconded the motion; Supervisors Holmes, Seward, Blount, Harrison and Lyttle voted in favor of the motion.

- B. PROGRESS REPORTS**

- A. VDOT**

Mr. William Richardson, Asst. Residency Administrator, appeared before the Board and reported on the following road projects:

- The Route 31 project is scheduled to be completed by July 11, 2009, however, he does not believe it would happen. He stated that the contractor has a problem with the base plant mix breaking up and that has to be resolved before they can finish the paving.
- The Route 613 project at Claremont Beach has been raised another six inches. He stated that VDOT may go back this fall and add another six inches.

Supervisor Blount thanked Mr. Richardson and staff for installing the guardrail on White Marsh Road.

Vice-Chairman Seward asked about local traffic being able to legally pass traffic waiting to board the ferry. Mr. Richardson responded that he would like to wait until the job is completed and then see if what is there will work or if additional signing or pavement markings will be needed.

Mr. Franklin inquired about the Waverly Residency office closing. Mr. Richardson responded that staff had not heard anything further since May 20th, however, he would keep the Board abreast.

B. Treasurer

1. Investment Letter

Chairman Holmes stated that the county had received a letter from Mrs. Faye P. Warren, Sr. Deputy Treasurer.

He stated that as of June 4, 2009, the county had \$11,239,959.01 in the LGIP Fund. Chairman Holmes stated that as of May, 2009, interest had accrued in the amount of \$6,800.90 increasing that balance to \$11,246,759.91. During the month of June, 2009, \$500,000 was transferred from the LGIP to the General Fund, decreasing the balance to \$10,746,759.91.

Chairman Holmes stated that as of July 2, 2009, the county had \$10,746,759.91 in total investments.

C. County Administrator

1. Funding for High School Renovation Project

Mr. Franklin reminded the Board that during its last meeting, it was discussed by Mr. Hamlin about the shortfall that the school system was experiencing relative to the high school renovation project. He stated that the Board directed county staff to work with the finance committees of the School Board and County to further discuss the funding needs for this project. He asked Mrs. Rollins to come forward and provide more details to the Board.

Mrs. Melissa D. Rollins, Director of Finance & Technology, appeared before the Board and stated that since the last meeting of the Board of Supervisors, the Board authorized staff to advise the School System that as of April 30, 2009, the amount available for the High School Renovation Project was \$2,419,460.00. The Board also directed county staff to work with the Finance Committees of the School Board and the County to further discuss the funding needs for this project.

She stated that staff had requested the school board to provide a list of current contracts, obligations and commitments relative to this project. The School System provided a list to the county totaling \$2,817,125 plus \$700,000 in project continuation costs for a total of \$3,517,125 (see attached).

Mrs. Rollins stated that action by the Board of Supervisors is needed to allocate additional funding for this project beyond the \$2.419 million that was remaining at April 30th based on the desire of the Board to provide

funding to complete the project at a cost of \$3,517,151. She noted that an additional \$777,549 must be made available for this work and the source of the funds identified.

In conclusion, Mrs. Rollins stated that based on the recommendation of the Fiscal Affairs Committee, county has identified a funding source for the project without necessitating additional debt. It is the recommendation that proceeds available from the interest earned on the Courthouse Construction Loan be used to support expenditures associated with the project.

Discussion ensued among the Board members, Mr. Franklin and Mrs. Rollins.

Supervisor Harrison moved to allocated \$777,549 from the construction loan interest proceeds to help fund the high school renovation project and expenditures submitted for reimbursement to the County by the School System not to exceed \$3,517,151; Supervisor Blount seconded the motion; Supervisors Holmes, Seward, Blount, Harrison and Lyttle voted in favor of the motion.

2. FY 08-09 School System Request - Budgetary Transfer from Operating Budget to Facilities Category - \$60,000

Mr. Lloyd A. Hamlin, Division Superintendent, appeared before the Board and stated that in past, the Board of Supervisors has allowed the School System to carry over unspent funds for the purchase of a onetime expenditure. He stated that these funds would be used to install a HVAC system in the elementary school. The gym has no air conditioning and is considered to be a health and safety risk. He was asking the Board to obligate the funds for this project.

Discussion ensued among the Board members, Mr. Franklin, Mr. Hamlin and Mr. Hefty regarding the transfer request.

Supervisor Harrison moved to approve a budgetary transfer of \$60,000 from the FY 08-09 Operating Budget to the Facilities Category contingent that funds are available after the FY 08-09 audit is complete; Vice-Chairman Seward seconded the motion; Supervisors Holmes, Seward, Blount, Harrison and Lyttle voted in favor of the motion.

3. CIP/Invoices - High School Renovation

Mr. Franklin advised the Board that he had received correspondence from the School System requesting payments to E. T. Gresham Company, Inc., Froehling & Robertson, Inc. and Ballou Justice Upton Architects for services rendered relative to the high school renovation project:

- E. T. Gresham Company, Inc. - \$118,058.48
- E. T. Gresham Company, Inc. - \$234,577.67
- Froehling & Robertson, Inc. - \$ 899.75
- Froehling & Robertson, Inc. - 465.00
- Ballou Justice Upton Architects - \$ 19,500.00

Vice-Chairman Seward moved to authorize payment to E. T. Gresham Company, Inc., Froehling & Robertson, Inc. and Ballou Justice Upton Architects in the aggregate amounts as outline above; Supervisor Lyttle seconded the motion; Supervisors Holmes, Seward, Blount, Harrison and Lyttle voted in favor of the motion.

4. FY 2008-2009 School System Request – Categorical Transfers

Mr. Franklin advised the Board that during the Board of Supervisors May 21, 2009 meeting, the Board authorized categorical transfers as requested by the School System as follows:

	Prior	Approved	Revised
	Budget	Transfers	Budget
Expenditures by Category			
Instruction	\$11,097,708	(50,000)	\$11,047,708
Administration & Health	\$ 849,228	(15,000)	\$ 834,228
Pupil Transportation	\$ 1,290,500	181,000	\$ 1,471,500
Operation & Maintenance	\$ 1,858,606	(69,000)	\$ 1,789,606
Technology	\$ 955,447		\$ 955,447
Food Service	\$ 639,862	(47,000)	\$ 592,862
Debt Service	\$ 400,778		\$ 400,778
Total Expenditures	\$17,092,129	0	\$17,092,129

He stated that the request is to transfer funds totaling \$124,000 from Instruction (\$33,000), Transportation (71,000), Technology (13,000) and Food Service categories (\$7,000) to the Operation and Maintenance (\$109,000) and Administration & Health (\$15,000) categories.

Mr. Franklin stated that if approved, the revised budget by category will be as follows:

	Prior	Approved	Revised
	Budget	Transfers	Budget
Expenditures by Category			
Instruction	\$11,047,708	(33,000)	\$11,014,708

Administration & Health	\$ 834,228	15,000	\$ 849,228
Pupil Transportation	\$ 1,471,500	71,000	\$ 1,400,500
Operation & Maintenance	\$ 1,789,606	109,000	\$ 1,898,606
Technology	\$ 955,447	(13,000)	\$ 942,447
Food Service	\$ 592,862	(7,000)	\$ 585,862
Debt Service	\$ 400,778		\$ 400,778
Total Expenditures	\$17,092,129	0	\$17,092,129

Mrs. Monique Barnes, School System Finance Director, appeared before the Board and stated that the year- end projections were not as volatile as first projected in May.

Supervisor Harrison moved to approved the categorical transfers to the FY 08-09 School System budget; Supervisor Lyttle seconded the motion; Supervisors Holmes, Seward, Blount, Harrison and Lyttle voted in favor of the motion.

5. FY 2010 Fire Programs Fund Disbursement Agreement

Mr. Franklin advised the Board that included in the Board's agenda package was a copy of the proposed FY 2010 Fire Programs Fund Disbursement Agreement. The agreement provides the conditions for county receipt and distribution of funds received from the State under the Fire Programs fund. He stated that it also requires the county to submit a report to the State showing how the funds were spent by each of the fire departments (Surry, Dendron and Claremont Volunteer Fire Departments).

Vice-Chairman Seward moved to authorize execution of the FY 2010 Fire Programs Fund Disbursement Fund; Supervisor Lyttle seconded the motion; Supervisors Holmes, Seward, Blount, Harrison and Lyttle voted in favor of the motion.

IV. PUBLIC HEARING

A. Establishment - Broadband Authority

Chairman Holmes called the public hearing to order. He asked for the statement of the case by staff. Mr. Franklin stated that the Board of Supervisors was conducting a public hearing tonight to receive public input regarding the proposed adoption of a resolution to create the Surry County Broadband Authority as authorized by the Virginia Wireless Service Authorities Act §15.2-5431.1 et. seq. of the Code of Virginia.

Chairman Holmes declared the public hearing opened. He asked all citizens wishing to participate to come forward and be recognized by the Chair and citizens had three minutes to speak.

Ms. Melissa Harte appeared before the Board and asked what the responsibility of the Broadband Authority was?

Ms. Rhonda R. Mack, Community Development Director, appeared before the Board and stated that she and Mr. Hefty would give presentations relative to this agenda note. She stated that she would be discussing the funding source and all questions be addressed by Mr. Hefty.

Mr. William Hefty, County Attorney, appeared before the Board and stated that Surry County was ahead of most localities. He stated that Surry had a good chance of receiving stimulus money for this project. Mr. Hefty gave a brief synopsis of the Broadband Authority. The resolution and articles gets things started. He stated that the Authority can meet prior to the regular meeting of the Board of Supervisors and are open to the public for public input.

Mr. Mike Eggleston of the Dendron Election District, appeared before the Board and asked how broadband coming in the county was. Ms. Mack responded that the 1st phase would be all fiber. The county sent out a RFP to partner with the county. The Broadband Authority will own the entire infrastructure and would lease the infrastructure to the providers. She noted that a provider has not been selected at this point.

Ms. Fran Crocker of the Dendron Election District, appeared before the Board and asked what can of band the county was looking at per second. Ms. Mack stated that she would have to review Phase I & II of the Broadband Study in order to respond to her question.

Vice-Chairman Seward stated that the State has indicated that the broadband has to have a certain level.

A citizen inquired whether the county would be appointing another committee. Mr. Franklin responded that initially, it's the responsibility of the Board of Supervisors. Mr. Hefty stated that if the Board of Supervisors is a Wireless Authority, some localities have an advisory committee, the Board can consider if they wish to have an advisory board.

Mr. Chris Anderson of the Surry Election District, appeared before the Board and stated that broadband was already in place in the Town of Surry and wondered should it be directed to another town?

A citizen appeared before the Board and stated that if it meets the need of the county, she was in favor of broadband in the county.

Mrs. Helen Eggleston of the Dendron Election District, appeared before the Board and stated that she in favor of having broadband in the county.

Vice-Chairman Seward commented that the current provider in Surry was considered as well as other businesses. He stated that businesses are looking for fiber connection.

There being no further public comments, Chairman Holmes declared the public hearing closed and asked for closing remarks from staff. There being none, he asked for discussion by the members of the Board. There being no discussion from the Board members, Chairman Holmes asked the pleasure of the Board.

Supervisor Blount moved to approve a resolution to create the Surry County Broadband Authority which will consist of the Surry County Board of Supervisors as authorized by the Virginia Wireless Service Authorities Act §15.2-5431.1 et.seq. of the Code of Virginia; Supervisor Lyttle seconded the motion; Supervisors Holmes, Seward, Blount, Harrison and Lyttle voted in favor of the motion.

V. PROGRESS REPORTS CONTINUED

B. County Administrator

6. Parks & Recreation

Mr. Franklin asked Mr. Ervin Jones to come forward and give the Board a status report on activities going on in his department.

Mr. Ervin A. Jones, Director of Parks & Recreation, appeared before the Board and reported on the following:

- Farmers Market – He stated that the County’s Farmers Market will open this Saturday at 8:00 a.m. He stated that there were a couple of vendors who had signed up.
- Surry Parks & Recreation Annual Fireworks – The annual Parks & Recreation fireworks will be held on July 3rd at the Parks & Recreation Center. He stated there would be lots of activities and entertainment for the kids and adults. Mr. Jones stated that he estimate about 4,000 would be in attendance for the fireworks.

A citizen inquired about the location of the farmers market. Mr. Jones responded that the farmers market would be on the grounds of the library adjacent from the government center.

VI. Boards Concerns

Supervisor Lyttle addressed the renovation project at the high school. She stated that the Bacons Castle District school board representative had inquired her to investigate a bond issuance for the high school project. She stated that she had requested some information from Mr. Richard Davis from the Department of Treasury and he had provided her with information relative to the Availability of Interest-Free Qualified School Construction Bonds (QSCBs) Provided Through the Recently Enacted American Recovery and Reinvestment Act of 2009. Supervisor Lyttle stated that under this program, \$191,077,000 has been allocated for the calendar year 2009 for Virginia. Accordingly, the debt is expected to be interest free to the participants that borrow under the program for school construction purposes. She recommended that the Board authorize staff to investigate to see what we can do to obtain such bonds. She suggested that the county's financial advisory investigate and advise the Board.

Discussion ensued among the Board members, Mr. Franklin and Mr. Hefty. Mr. Hefty stated that he would like to investigate the matter and report back to the Board.

Supervisor Blount stated that several meetings ago he had asked the Board members to send letter of support for the appointment of State Executive Director for Virginia's Farm Service Agency. He stated that he was glad to report to the Board that Mr. Wooden had gotten the job and thanked the Board members for their support. Supervisor Blount announced that Mr. Wooden is a native of Surry County and graduate of Surry County High School.

Vice-Chairman Seward suggested that the Finance Department work with the Commissioner of Revenue's office to investigate the potential revenue that the county may receive from the Coal Power Plant.

Supervisor Harrison stated that the county was looking for a consultant to help educate the Board relative to the potential coal power plant project to be located in the county. He stated that as an observation, during his traveling, and looking at different areas for black powder dust, he did not see any.

Supervisor Lyttle commented that Hampton University fuels the university with coal and has been doing so for years.

Chairman Holmes noted that if the power plant does not come to Surry, there's a proposed site in Sussex and the plant would be in the heat of both counties.

VI. CITIZENS COMMENTS

Chairman Holmes asked all persons wishing to speak to come forward and be recognized by the chair and announced that they had three minutes to speak.

Mr. Mike Eggleston of the Dendron Election District, appeared before the Board and talked about the coal power plant and wondered whether ODEC had looked at all the options. Chairman Holmes commented that the permit application does allow the citizens to review.

A citizen inquired whether the county had obtained an unbiased professor to assist the Board regarding the coal power plant. Supervisor Harrison stated that the county has not pursued that assistance yet.

Ms. Gail P. Clayton, Clerk of the Circuit Court, appeared before the Board and thanked the Board members on behalf of her staff for their salary increase. She stated that her part-time help had been cut drastically and asked the Board's consideration to restore her budget for part-time help to at-least \$9,000. She stated that she had followed the instructions of the County Administrator to be frugal in preparing this year's budget. Ms. Clayton passed out a handout to the Board members supporting her request.

Mrs. Bess Richardson of the Dendron Election District, appeared before the Board and talked about her dissatisfaction about the coal power plant being located in the Town of Dendron.

Mrs. Helen Eggleston reappeared before the Board and stated that Hampton University had a coal power plant to heat the university, however, there were a lot of complaints about fly ashe. She stated that the university got stimulus money and they are in the process of replacing the heating system.

VII. CLOSED SESSION

Supervisor Harrison moved that the Board convene in closed session pursuant to Virginia Code Section 2.2-371(A)(1), a matter involving the performance evaluation or job assignments of specific employees; Supervisor Lyttle seconded the motion; Supervisors Holmes, Seward, Blount, Harrison and Lyttle voted in favor of the motion.

Supervisor Harrison moved that the Board of Supervisors return to open session and certify by roll vote, that the closed session just concluded, nothing was discussed except the matter or matters permitted to be discussed under the provisions of the Virginia Freedom of Information Act in the motion; Vice-Chairman Seward seconded the motion; Supervisors Holmes, Seward, Blount, Harrison and Lyttle voted in favor of the motion.

VIII. ADJOURNMENT

Supervisor Harrison moved that the meeting be adjourned; Supervisor Blount seconded the motion; Supervisors Holmes, Seward, Blount, Harrison and Lyttle voted in favor of the motion.