

THE REGULAR WORK SESSION OF THE NEW KENT COUNTY BOARD OF SUPERVISORS WAS HELD ON THE 30TH DAY OF MAY IN THE YEAR TWO THOUSAND TWELVE IN THE BOARDROOM OF THE COUNTY ADMINISTRATION BUILDING IN NEW KENT, VIRGINIA, AT 8: 30 A.M.

IN RE: CALL TO ORDER

Chairman Burrell called the meeting to order.

IN RE: ROLL CALL

Thomas W. Evelyn	Present
C. Thomas Tiller, Jr.	Present
James H. Burrell	Present
Ron Stiers	Present
W. R. Davis, Jr.	Present

Chairman Burrell announced that because he needed to leave the meeting early, the order of some of the items on the Agenda would be changed.

IN RE: FEE SCHEDULE AMENDMENTS

Before the Board for consideration was Ordinance O-04-12 amending Appendix A (Fee Schedule) of the New Kent County Code, following a duly-advertised public hearing held on May 14, 2012.

County Administrator G. Cabell Lawton IV advised that fees on the Schedule that were no longer applicable would be addressed at a later date.

Mr. Burrell noted that water rates decreased as usage increased and spoke about how that did not promote water conservation. Public Utilities Director Larry Dame agreed but indicated that the goal for this year had been to raise rates as little as possible. Mr. Burrell suggested the County address that issue next year.

Mr. Davis moved to adopt Ordinance O-04-12 as presented, amending Appendix A (Fee Schedule) of the New Kent County Code. The members were polled:

Thomas W. Evelyn	Aye
C. Thomas Tiller, Jr.	Aye
Ron Stiers	Aye
W. R. Davis, Jr.	Aye
James H. Burrell	Aye

The motion carried.

IN RE: TAX LEVIES

Before the Board for consideration was Ordinance O-05-12 establishing tax levies for the 2012/2013 tax year, following a duly-advertised public hearing held on May 14, 2012.

Mr. Lawton recounted that at the last meeting, staff had been directed to make additional cuts in order to arrive at an 81-cent real estate tax rate. He advised that achieving that rate necessitated additional cuts of approximately \$94,000 and his proposed cuts included

the elimination of an Environmental staff position recently vacated. He explained that a decision had already been made not to fill that position, with the understanding a new position in that department would likely be needed in the future to help deal with new State regulations. Other identified cuts were the elimination of funding for Virginia State University and Richmond Metropolitan Convention & Visitors Bureau (RMCVB). He pointed out that the purpose of RMCVB was to fill hotel rooms and he felt it wouldn't hurt New Kent to take some time off from that group and rejoin it at a later date. He advised that other proposed measures were putting \$25,000 less in contingency and \$7,105 less in the personnel contingency, eliminating funding for sidewalk repairs, and reducing funding for the Health Department. The last suggested cut was to funding for repairs and maintenance at the Route 618 Refuse Center, and using capital funds to do the work.

Mr. Burrell asked what effect an 82-cent rate would have. Mr. Lawton advised that would bring in \$218,000 more revenue, which could be used to reinstate the aforementioned cuts and putting the remainder of approximately \$124,000 into contingency. He confirmed that a rate of 82 cents would result in a budget that was about \$200,000 less than FY12. Mr. Burrell suggested that he would prefer the 82-cent rate and put a little more into contingency.

Mr. Davis pointed out that the cuts proposed by Mr. Lawton weren't "taking anything away". He noted that the County hadn't spent much out of its contingency in FY12 and talked about how taxpayers were continuing to struggle financially and how he would be in favor of an 81-cent rate.

Mr. Evelyn expressed his support for the suggested additional cuts and an 81-cent rate. He noted that several positions had been eliminated over the past few years and he felt the County was doing the best it could and was being fiscally responsible.

Mr. Tiller agreed with an 81-cent rate.

Mr. Stiers remarked that he felt the tax rate should be lower and spoke about how residents were spending more money on gas and groceries, had suffered loss of value on their homes, and should not be expected to pay taxes at an increased rate.

Mr. Evelyn moved to adopt Ordinance O-05-12 to impose tax levies on real and personal property for the 2012/2013 tax year in New Kent County, amended to reflect a tax rate of Eighty-one Cents (\$0.81) in paragraphs 1, 2 and 3. The members were polled:

C. Thomas Tiller, Jr.	Aye
Ron Stiers	Nay
W. R. Davis, Jr.	Aye
Thomas W. Evelyn	Aye
James H. Burrell	Aye

The motion carried.

IN RE: CAPITAL IMPROVEMENT PLAN

Before the Board for consideration was the Administrative Recommended Capital Improvement Plan (CIP) for FY2012 – 2017.

Mr. Lawton explained that the Plan before the Board covered FY13 and the next several years, existing CIP monies would be used to fund all of the proposed CIP FY13

expenditures, and adoption of the Plan would budget and appropriate those expenses. He reviewed the most recent proposed changes, which eliminated funding for the school mobile classroom project and radio tower study, the fire equipment loan, and the proposed transfer to debt services, and added funds to purchase two ambulances.

He confirmed that he could not advise the Board to use the money for the ambulances for additional Fire-Rescue staff instead, as the County would have to find funds for those positions next year.

Mr. Evelyn moved to adopt the Administrative Recommended Capital Improvement Plan for FY2012-2017, with the following changes: eliminating \$80,000 for the School mobile classroom that was appropriated May 14, 2012; eliminating \$120,000 for the radio tower pre-engineering study; eliminating \$2,170,000 for Fire Equipment Loan; eliminating \$434,000 transfer to Debt Service Fund; and adding \$500,000 for two ambulances. The members were polled:

Ron Stiers	Aye
W. R. Davis, Jr.	Aye
Thomas W. Evelyn	Aye
C. Thomas Tiller, Jr.	Aye
James H. Burrell	Aye

The motion carried. Mr. Lawton advised that he would get a copy of the adopted CIP to the Board within a few days.

IN RE: FY13 BUDGET

Before the Board for consideration was the proposed FY13 Budget, following a duly-advertised public hearing held on May 14, 2012.

Mr. Evelyn moved to adopt and appropriate the Fiscal Year 2012/2013 budget as submitted by the County Administrator in the general categories as follows:

General Fund	\$15,175,942
Social Services	1,261,025
School Capital	--
Grants	--
Capital Projects	2,177,263
Human Services	1,612,636
Wireless E-911	200,522
Schools	25,126,214
School Food Service	902,895
Litter Control	--
Debt Service	5,656,270
Airport	866,274
Computer Replacement	200,100

Total Governmental & Schools	\$53,179,141
Water/Sewer	\$4,917,080
Bottoms Bridge Sewer	1,118,502
Total Public Utilities	\$6,035,582
Total Proposed FY12/13 County Budget	\$59,214,723

The members were polled:

W. R. Davis, Jr.	Aye
Thomas W. Evelyn	Aye
C. Thomas Tiller, Jr.	Aye
Ron Stiers	Aye
James H. Burrell	Aye

The motion carried.

IN RE: CLOSED SESSION #1

Mr. Davis moved to go into Closed Session to discuss a personnel matter pursuant to Section 2.2-3711A.1 of the Code of Virginia involving the assignment, appointment, promotion, performance, demotion, discipline, salary, compensation, and/or resignation of employee(s) and for consultation with legal counsel pursuant to Section 2.2-3711A.7 of the Code of Virginia involving briefings by staff members and consultants about actual or probable litigation and/or specific legal matters that require advice. The members were polled:

Thomas W. Evelyn	Aye
C. Thomas Tiller, Jr.	Aye
Ron Stiers	Aye
W. R. Davis, Jr.	Aye
James H. Burrell	Aye

The motion carried. The Board went into Closed Session.

Mr. Evelyn moved to return to Open Session. The members were polled:

C. Thomas Tiller, Jr.	Aye
Ron Stiers	Aye
W. R. Davis, Jr.	Aye
Thomas W. Evelyn	Aye
James H. Burrell	Aye

The motion carried.

Mr. Davis made the following certification:

Whereas, the New Kent County Board of Supervisors has convened in a Closed Session on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

Whereas, Section 2.2-3712 of the Code of Virginia requires a certification by the Board that such Closed Session was conducted in conformity with Virginia law;

Now there be it resolved that the Board hereby certifies that to the best of each member's knowledge (i) only public business matters lawfully exempted from Open Session requirements by Virginia law were discussed in Closed Session to which this certification resolution applies and (ii) only such public business matters as were identified in the motion convening the Closed Session were heard, discussed or considered by the Board.

The members were polled on the certification:

Ron Stiers	Aye
W. R. Davis, Jr.	Aye
Thomas W. Evelyn	Aye
C. Thomas Tiller, Jr.	Aye
James H. Burrell	Aye

The motion carried. Chairman Burrell departed the meeting at approximately 11 a.m. and turned the meeting over to Vice Chairman Davis.

IN RE: CLAIM OF LEWIS REHBURG

Before the Board for consideration was a claim made by Lewis Rehburg for reimbursement of costs resulting from a summons issued and arrest made on June 24, 2011. Neither the claimant nor his attorney was present.

Mr. Evelyn removed himself from discussion and vote because of business dealings with the claimant.

County Attorney Michele Gowdy advised that she had corresponded with the attorney for the claimant but had had no further contact with him. She recommended that the Board deny the claim for the reasons set forth in an earlier confidential memo she had provided to the Board.

Mr. Stiers moved to deny the claim. The members were polled:

W. R. Davis, Jr.	Aye
Thomas W. Evelyn	Abstain
C. Thomas Tiller, Jr.	Aye
Ron Stiers	Aye
James H. Burrell	Absent

The motion carried. Mr. Evelyn rejoined the Board.

IN RE: PUBLIC UTILITIES ORDINANCE CHANGES

The Public Utilities Director and County Attorney reviewed proposed changes to the Utilities Ordinance to comply with new legislation enacted by the 2012 General Assembly.

They explained that changes in the State Code required that property owners consent to utility service for their tenants and be provided with copies of any delinquent bills, and staff indicated that the changes would result in a quicker collection process. Mr. Dame also advised that the amount of the non-owner deposit had been increased, at the request of State legislators.

There were no objections to scheduling a public hearing on the proposed changes at the July business meeting.

IN RE: REGIONAL COMMUNICATIONS GRANTS

Before the Board for consideration were requests to accept grants from the Urban Area Security Initiative (UASI) and to appropriate funding.

Fire Chief E. Thomas Hicks explained that the UASI grants would provide funding for new pagers and other communications equipment, would improve capabilities at the tower sites, and were 100% reimbursable with no match required from the County.

There was discussion regarding interoperability with other agencies and current radio coverage. Chief Hicks advised that he anticipated that working with new tower sites and adjacent localities would help to address some of the current coverage problems in some areas.

Mr. Evelyn moved to accept grants from the Urban Area Security Initiative and appropriate the funding for the Regional Hear Radio Grant of \$156,270 and the Regional Communications Equipment Project of \$171,000. It was again confirmed that there was no local match required from New Kent. The members were polled:

Thomas W. Evelyn	Aye
C. Thomas Tiller, Jr.	Aye
Ron Stiers	Aye
W. R. Davis, Jr.	Aye
James H. Burrell	Absent

The motion carried.

IN RE: AIRPORT OBSTRUCTION REMOVAL PROJECT

Airport Manager Bill Kelly updated the Board on the obstruction removal project at the New Kent Airport.

Mr. Kelly explained that growth of some of the trees on Airport property and surrounding parcels was affecting the approach area, and he was in the middle of determining exactly where the issues were and how to get the offending trees removed. He indicated that some of the trees were in Resource Protection Areas (RPA) and the Airport had an application pending before the Wetlands Board requesting permission to convert RPA areas on the Airport property to grass. He advised that he had met with adjacent property owner George Fisher to make him aware of the project and to obtain permission to include his property in the public hearing. He added that it may end up that Mr. Fisher's property would not have to be included but he had done so in an abundance of precaution and to keep the process moving.

There was discussion regarding the value of any timber on the property. Mr. Kelly advised that part of the bid process would be a determination of the timber value. He indicated that his original intention had been to have the property timbered and then apply to the Federal Aviation Administration (FAA) for a grant to get it grubbed; however, if the timber were removed, it would no longer qualify as an obstacle removal project.

Mr. Evelyn suggested that there were a lot of terrain issues and he did not think there would be much value.

It was reported that notice had been sent to more than 75 adjacent property owners. Mr. Kelly advised that there had been little reaction, and most of that had about a rumor that the Airport was being expanded. He indicated that there were some trees off of Airport property (but within the Airport easement) that might need to be taken down, and he was taking the project "one step at a time" and trying to assure Airport neighbors that the County was not doing anything underhanded or behind their backs.

He confirmed that Mr. Fisher had signed the application to include his property in the hearing before the Wetlands Board but it did not commit him to anything. Mr. Kelly also confirmed that there was still some residual storm damage in the subject area.

IN RE: VIRGINIA RESOURCES AUTHORITY 2012 SUMMER REFUNDING

The County Administrator and Financial Advisor Ted Cole reviewed with the Board an opportunity to participate in an anticipated refunding involving the 2004 Water and Sewer Revenue Bond through the Virginia Resources Authority (VRA).

Mr. Lawton advised that VRA had announced a rare refunding opportunity on debt issued for the County's 2004 water and sewer bond, and had estimated that such a refunding would save the County \$36,000 annually. He indicated that he had asked Mr. Cole to look at it and give his opinion whether New Kent should proceed.

Mr. Cole provided an overview of the potential refunding of New Kent's 2004B VRA revenue bond, as well as a potential refunding of the County's 2007 Lease Revenue Bond (Human Services Building) with Citizens and Farmers Bank (C&F). He explained that the sale was still 60 days out but the County's goal should be to be set itself up to take advantage of the opportunity but not be committed in the event that rates changed.

Regarding the 2004 VRA bond, he reported that the par amount to be refunded was \$9,545,000 out of \$15,755,000 outstanding and explained that although the balance did not currently meet the 3% threshold, that could change by summer. He noted that the rate on the current bond was 4.10% – 5.10%, with the new rate to be 2.70%, which should save the County around \$669,042 over the life of the loan - a savings of 5.69%. He explained that 3% was the benchmark used to make these decisions, and he would be asking the Board to adopt resolution to participate in the process at its June 11 meeting.

He then addressed the other refunding opportunity. He recounted that the 2007 Lease Revenue bond obtained through the Economic Development Authority with C&F had a fixed rate of 3.98% through 2022. He suggested that the County could consider going with the VRA Summer Pool or other Bank financing. He advised that VRA provided a better savings, \$258,453 compared with \$140,721 through the Bank, but he suggested that there should be a conversation with the Bank to see if it would modify its rate. He advised that after that conversation, the County could assess its others options.

He reviewed the timetable for the process.

He indicated that he would continue to monitor market conditions to assure that a VRA refinancing approach continued to provide the County with the most debt service savings benefit, and would pay particular attention to how current market conditions affected the County's 2004B VRA revenue bonds so that the County would ultimately be able to choose the outstanding maturities that would be the most efficient to refinance, and he would continue to provide additional information as it was received.

IN RE: VIRGINIA RETIREMENT SYSTEM CONTRIBUTION RATE OPTIONS

The County Administrator reviewed VRS Contribution Rate options with the Board, one of which must be selected no later than July 1, 2012.

Mr. Lawton asked for confirmation from the Board that it wanted to pay the 11.78% certified rate. He explained that the lower alternate rate of 9.33% was available but had some liability and would not cost less but would just "push the cost down the road" at which time the cost could be greater. He explained that he would need a resolution adopted by the Board on this issue as well as the 5% member contribution at the next meeting, and a resolution confirming similar action by the School Board.

Mr. Evelyn moved to direct staff to prepare a resolution for consideration on the June 11 Consent Agenda, electing the Certified Rate of 11.78% for New Kent's VRS employer contribution rate effective July 1, 2012. The members were polled:

C. Thomas Tiller, Jr.	Aye
Ron Stiers	Aye
W. R. Davis, Jr.	Aye
Thomas W. Evelyn	Aye
James H. Burrell	Absent

The motion carried.

IN RE: MEETING SCHEDULE

The Vice Chairman announced that the next meeting of the Board of Supervisors would be held at 6:00 p.m. on Monday, June 11, 2012, in the Boardroom of the County Administration Building, New Kent, Virginia.

IN RE: CLOSED SESSION #2

Mr. Stiers moved to go into Closed Session for consultation with legal counsel pursuant to Section 2.2-3711A.7 of the Code of Virginia involving briefings by staff members and consultants about actual or probable litigation. The members were polled:

Ron Stiers	Aye
W. R. Davis, Jr.	Aye
Thomas W. Evelyn	Aye
C. Thomas Tiller, Jr.	Aye
James H. Burrell	Absent

The motion carried. The Board went into Closed Session.

Mr. Evelyn moved to return to Open Session. The members were polled:

W. R. Davis, Jr.	Aye
Thomas W. Evelyn	Aye
C. Thomas Tiller, Jr.	Aye
Ron Stiers	Aye
James H. Burrell	Absent

The motion carried.

Mr. Evelyn made the following certification:

Whereas, the New Kent County Board of Supervisors has convened in a Closed Session on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

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Now there be it resolved that the Board hereby certifies that to the best of each member's knowledge (i) only public business matters lawfully exempted from Open Session requirements by Virginia law were discussed in Closed Session to which this certification resolution applies and (ii) only such public business matters as were identified in the motion convening the Closed Session were heard, discussed or considered by the Board.

The members were polled on the certification:

Thomas W. Evelyn	Aye
C. Thomas Tiller, Jr.	Aye
Ron Stiers	Aye
W. R. Davis, Jr.	Aye
James H. Burrell	Absent

The motion carried.

IN RE: ADJOURNMENT

Mr. Evelyn moved to adjourn the meeting. The members were polled:

C. Thomas Tiller, Jr.	Aye
Ron Stiers	Aye
W. R. Davis, Jr.	Aye
Thomas W. Evelyn	Aye
James H. Burrell	Absent

The motion carried.

The meeting was adjourned at 12:21 p.m.