

THE REGULAR MEETING OF THE NEW KENT COUNTY BOARD OF SUPERVISORS WAS HELD ON THE 30<sup>th</sup> DAY OF MARCH IN THE YEAR TWO THOUSAND ELEVEN OF OUR LORD IN THE BOARDROOM OF THE COUNTY ADMINISTRATION BUILDING IN NEW KENT, VIRGINIA, AT 3:00 P.M.

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IN RE: CALL TO ORDER

Chairman Evelyn called the meeting to order.

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IN RE: ROLL CALL

Thomas W. Evelyn	Present
David M. Sparks	Present
James H. Burrell	Present
Stran L. Trout	Present
W. R. Davis, Jr.	Present

All members were present.

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IN RE: HUNTER EDUCATION PARTNERSHIP

Volunteer hunter education instructors Tim Tuck, Ray Cole, Jack Lee, and Ray Bassetti, along with Officer Baker from the Department of Game & Inland Fisheries (DGIF) were in attendance to present an award to New Kent Parks and Recreation for its partnership in providing hunter safety education. Mr. Bassetti spoke about how Parks and Recreation had included the class in its programming and had provided free, convenient classroom space at Quinton Community Center. He also thanked the Board for its "wisdom" in creating the Parks and Recreation Department in New Kent.

Officer Baker presented Parks and Recreation Manager Kim Turner with the award from the DGIF. Ms. Turner thanked the Board for its support and spoke about the good relationship with the DGIF and its volunteer instructors. She explained that New Kent was lucky to have its volunteer instructors, many of whom she called upon to help her with other classes as well.

It was explained that the hunter safety class was a one-day program open to ages 12 and older.

Board members expressed their thanks to Officer Baker and the volunteer instructors.

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IN RE: SECONDARY SYSTEM SIX YEAR PLAN FY2012-2017

Sherry Eagle, Program Manager, and Rob Crandol, Program Director, from the Richmond District Office of the Virginia Department of Transportation (VDOT) reviewed the proposed Secondary System Six Year Plan (SSSYP) for New Kent County for fiscal years 2012 through 2017.

Mr. Crandol explained that the SSSYP process had changed since the VDOT reorganization. He indicated that his department was responsible for the programming dollars, including those in the SSSYPs, and were trying to pay more attention to management of the funding. He reviewed that approval of a SSSYP budget was still required annually and, in its role as decision-makers, the Board needed to make sure that the priorities adopted last year had not changed. He said that the road funding picture could change and he was hopeful about

some pending legislation that might start putting money back into the formula, but that his department's focus would be on "cleaning up the books" and moving any balances from completed projects into others. He confirmed that they had not identified deficits in any of the completed projects in New Kent.

He reviewed the process, which would require a joint public hearing at the Board's May 9 meeting, at which time both the County and VDOT staff would accept comments from the citizens, and thereafter the Board would vote on adoption. He reminded that the \$67,000 allocation was not a lot of money to argue about and suggested that the Board refrain from making any revisions and "keep the course".

He reviewed that within the budget were funds for "countywide incidentals", commonly called "cost centers" which provided an opportunity for some cost estimates, survey or engineering work on new projects.

Ms. Eagle reviewed the project priority list from the previous year. She reported that the Priority One project, Route 632/Stage Road, had been completed and would only be reflected in the plan until they had completed some administrative financing cleanup.

Priority Two was identified as Route 613/Dispatch Road, on which design work was being done.

She noted that the Priority Three project, Route 628/Mt. Pleasant Road, had been completed and was no longer reflected.

She advised that the Route 665/Henpeck Road project, which had been Priority Four last year, would move up as Priority Two once the Stage Road project was removed. She reported that project included reconstruction and surface treatment of 1.6 miles of roadway at a cost of \$2.9 million. She indicated that VDOT had been asked to look at three sections of that road – the intersection with Route 249, a low area with drainage problems near Route 640, and the intersection with Routes 612 and 640. She suggested that some additional survey and design work be done with the thought that the project could be split into three smaller projects with a better scope of work, thereby increasing the likelihood that at least one of those areas could be addressed with the funds that were available, rather than waiting for funding to do the entire project. She indicated that the Board would be able to decide which of the three sections would have priority over the other two.

Mr. Sparks had no objection to that recommendation, noting that he felt that the drainage problem in the "bottom" might be the best one on which to focus.

Mr. Evelyn asked if VDOT crews were still clearing drainage ditches. Mr. Crandol indicated that they were and that they needed to know about any maintenance concerns.

It was summarized that the action needed from the Board at this meeting was approval of the Priorities and an agreement to hold a public hearing in May.

Mr. Sparks moved to approve the Priorities as presented and to hold a public hearing in May. The members were polled:

David M. Sparks	Aye
James H. Burrell	Aye
Stran L. Trout	Aye
W. R. Davis, Jr.	Aye

Thomas W. Evelyn                      Aye

The motion carried.

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IN RE:                      LANEXA STATION 4 AUXILIARY

Before the Board for consideration was a Memorandum of Understanding (MOU) with the Lanexa Station 4 Auxiliary.

County Attorney Michele Gowdy explained that the MOU had been requested by the Auxiliary in order to make sure that the funds they raised would go to the Lanexa Fire-Rescue Station, and she confirmed that the MOU had been approved by the Auxiliary's Board.

Mr. Trout asked if a similar document existed with any of the other stations. Ms. Gowdy advised that this was the first one, and that there were some issues with some of the other volunteer companies that needed to be addressed.

Mr. Burrell moved to approve the Memorandum of Understanding between the New Kent County Board of Supervisors and Lanexa Station 4 Auxiliary, Inc., as presented. The members were polled:

James H. Burrell	Aye
Stran L. Trout	Aye
W. R. Davis, Jr.	Aye
David M. Sparks	Aye
Thomas W. Evelyn	Aye

The motion carried.

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IN RE:                      CHESAPEAKE BAY WATERSHED TOTAL MAXIMUM DAILY LOADS (TMDL)

Environmental Planning Manager Amy Walker summarized information from a recent conference she attended on the Chesapeake Bay Watershed TMDLs, where there were a variety of speakers from Maryland, Virginia, the Environmental Protection Agency (EPA), and the private sector.

She indicated that the new limits would not be phased in but would require retrofitting existing structures, and spoke about how that would affect stormwater costs and the fees that would have to be assessed by localities. She advised that there had been no specifics about an implementation plan or Phase II of the State's Water Improvement Plan (WIP). She explained that the models that had been used to create the Bay TMDLs were based on simulated capacity and use levels, and it was understood that the models would have to be continually updated in order to provide better numbers for the states to work with. She confirmed that the 2010 Census numbers were not reflected yet in any of the models.

Mr. Davis asked when the costs to New Kent would be known. Ms. Walker advised that those figures would not be known until New Kent had received its load allocations and more information about the Phase II plan.

There was discussion regarding the TMDLs received for local streams and the wildlife factor. Ms. Walker advised that there were ways to determine between human and wildlife factors it was recognized that little could be done with wildlife-induced fecal coliform.

She advised that the comments from the private sector at the conference focused on the costs to be incurred in trying to “eke out a little bit of water quality” on new sites and how it would be less costly for developers if they were allowed to clean up existing conditions, such as an eroded stream channel or retrofitting an older subdivision for storm water management. She indicated that was another reason why the County should “know where its problems were” so that new development would have that flexibility and that kind of credit-trading.

There was discussion regarding reclaimed water. Ms. Walker explained that because EPA had “such a stronghold” on wastewater treatment plants, it was anticipated that localities would want to hold on to any credits for their own use rather than market them to developers. She reported that there had been some assertions that EPA was overstepping its boundaries, but it had been pointed out that the states had given that authority to the EPA. She did not have any information regarding the suit filed by Farm Bureau against Virginia’s WIP.

Mr. Davis spoke about the effects from wildlife and how extending the hunting seasons or increasing bag limits might help.

Mr. Trout asked about sale of credits. Ms. Walker confirmed that it appeared that credits would be able to be sold in the same watershed and sometimes in adjacent watersheds.

She indicated that there had been discussions regarding Virginia’s new regulations for retrofitting existing advanced septic systems and stricter regulations for new systems. She reported that conventional systems may come under closer scrutiny and it had been suggested that the nitrogen contributed by rural areas might be heavier due to conventional septic systems, and that although there were no “hard and fast numbers”, a recent study from Maryland had some “alarming numbers”.

Mr. Trout commented that it seemed as though new developments would have to solve problems in the older developments, which would likely hamper new development. Ms. Walker agreed, especially in areas with impacted streams where new development would not be able to be permitted without reaching a certain level of discharge, and that developers were asking localities to be proactive and practical when setting fees. She explained that one of the pollutants that many were not aware of was sediment-loading from eroding stream channels.

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IN RE:                   TEMPORARY MOVEABLE STORAGE STRUCTURES AND CONTAINERS

Community Development Director George Homewood reviewed that one of the Board members had requested that the Planning Commission consider an ordinance amendment dealing with temporary storage units.

Mr. Sparks explained that there was a problem with portable storage units sitting in neighborhoods with no time limits, in many instances being used in place of storage sheds. He expressed his concern about the effect of these units on home values and potential sales. He indicated that he understood that the Planning Commission did not like the proposed amendments because of the timeframe, but he felt that these units were ruining the neighborhoods. He pointed out that the regulations would only apply to residentially-zoned areas, and he had asked the County Attorney to look into the issue as well. He noted that there were many residential subdivisions in the County that did not have homeowners associations that could control the use of these units. Mr. Homewood added

that he felt that the same issue would result from the rising popularity of Conex boxes (intermodal or freight containers).

Mr. Sparks pointed out that these units did not require permits and as a result, the County was not receiving any revenue from these units, as it would from storage sheds and mini-storage warehouses. He reiterated that he was most concerned with property values and a homeowner's ability to market a home and he felt that an ordinance was needed that would allow for some restrictions.

It was confirmed that the latest version of the proposed amendments took into account some of the comments and concerns from the Planning Commission, including a change in the timeframe from 30 days to 60 days.

There was discussion regarding similar ordinances in surrounding localities, and staff reported that some localities had restrictions and others did not.

Mr. Homewood indicated that penalties for violations would be the same as for any other zoning violation.

Following discussion, there was consensus to send the latest version of the amendments back to the Planning Commission for review and recommendation.

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IN RE:            PARKING AND LOADING STANDARDS

Mr. Homewood reported that a proposed amendment to the County Code regarding Parking and Loading Standards had been forwarded to the Board from the Planning Commission with a recommendation for approval. He explained that it had been recognized some years prior that the County's ordinance required more parking spaces than necessary and needed to be revised. He indicated that reducing the number of required spaces would help to reach the TMDLs by decreasing imperviousness.

There was review and discussion about the changes that would result from the new ordinance, which included surfaces, overflow parking lots, stormwater management issues, sidewalks, bicycle parking, electric charging stations, and parking studies.

Mr. Trout spoke about the variety of impervious surfaces, and asked if that was something that would be determined by Planning Department staff. Mr. Homewood explained that the default surface of a parking lot would be paved; however, if a developer wanted to do something different, his proposal would need to show how it was part of the overall stormwater management of the site.

Ms. Gowdy pointed out that a significant change related to handicapped parking spaces, with the new ordinance requiring that such spaces be within a certain distance of the building rather than the closest space.

Mr. Homewood advised that the proposed changes could be scheduled for public hearing as soon as the Board deemed that it was ready to proceed.

Board members agreed to hold a public hearing at its June meeting and Mr. Homewood asked that they contact him with any further questions, comments, or concerns.

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IN RE: BRUSH COLLECTION

Before the Board for consideration was a request to approve a modification to a contract addendum for County brush collection services to handle additional brush with a new operating schedule.

General Services Director Jim Tacosa explained that when the County contracted with a private company to process brush, it was estimated that there would be about 4,000 cubic yards of brush per year; however, it ended up being in excess of 11,000 cubic yards. He confirmed that the contractor applied for and received increases in previous years; however, it had been decided that no overage would be paid for the current year and the contractor had come back with a proposal to decrease operating hours.

Mr. Sparks pointed out that the 4,000 cubic yards figure was not in the procurement documents and asked where it had come from. Mr. Tacosa advised that the figure came from a study done by his department, but admitted that it was not in the procurement documents.

Mr. Davis reminded that the County was not required to provide this service and could eliminate it.

Mr. Lawton confirmed that the contract allowed either party to cancel with 30 days' notice.

Mr. Burrell reminded that the County stopped collecting brush at the Route 618 main refuse site because of the wear and tear on equipment and the necessity to have an attendant.

There was discussion regarding the documentation received from the contractor and how yardage had been calculated.

Mr. Trout stated that he felt it was an important service and a safety issue, as the piling up of brush was a fire hazard. He spoke about how the proposal did not address his major concern -- the lack of a brush processing site convenient to the residents in the western end of the County. He reminded that staff had been asked to look for such a site at the time that this brush recycling contract was approved and nothing had been done. He stated that the contract was totally inadequate, provided less service for more money, and still did not serve the majority of the County's population. He suggested that the County could use some of the appropriated funds that were in excess of the contract to pay for a temporary collection site in the western end of the County during April and October, which would help to address problems with brush in the subdivisions.

Mr. Lawton indicated that staff was working on that issue and would have a proposal next month, but that this request involved a different issue. Mr. Trout countered that approving the request would make the same mistake by ignoring the other part of the problem and he could not see doing that again.

Mr. Tacosa indicated that staff had looked into putting a brush collection container at the other end of the County that could be hauled to the processing site for a very reasonable charge. Mr. Trout commented that the container that had been placed at the Route 612 refuse site two years earlier had been very difficult to use, and there were no containers put there last year.

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

Stran L. Trout	Aye
W. R. Davis, Jr.	Aye
David M. Sparks	Aye
James H. Burrell	Aye
Thomas W. Evelyn	Aye

The motion carried. The Board went into Closed Session.

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

W. R. Davis, Jr.	Aye
David M. Sparks	Aye
James H. Burrell	Aye
Stran L. Trout	Aye
Thomas W. Evelyn	Aye

The motion carried.

Mr. Sparks made the certification of Closed Session:

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 Chairman inquired whether there was any member who believed that there was a departure from the motion. Hearing none, the members were polled on the certification:

David M. Sparks	Aye
James H. Burrell	Aye
Stran L. Trout	Aye
W. R. Davis, Jr.	Aye
Thomas W. Evelyn	Aye

The motion carried.

Mr. Lawton advised that if the Board did not want to change the amount of the contract or reduce the operating hours, he would communicate that to the contractor.

Mr. Sparks commented that it was important to keep weekend operating hours for the convenience of the citizens, and he was willing to reduce hours during the week, but he was not in favor of increasing the amount of the contract.

Mr. Trout stated that he was not in favor of doing anything unless it addressed the needs of the entire County and those living in residentially-zoned areas in the western end of New Kent.

Mr. Burrell reminded that he would have to abstain from any vote because of his family relationship to the contractor.

Mr. Davis asked if it would be better for the Board to give 30 days' notice to end the contract and re-advertise for bids. Mr. Lawton suggested that it would be better if the vendor made that decision.

Mr. Evelyn predicted that the County would not get this service at a better price and he also stated that he did not feel that three days needed to be cut from the operation hours.

Mr. Davis explained that the contractor's employee who ran the County's brush collection also took care of the commercial stump grinding business which was only open during the week, and it was an additional cost to the contractor to have an employee there on the weekends. He also agreed with Mr. Evelyn that the County was not likely to get bids that were less than what was being requested.

Mr. Evelyn reminded that staff was working on some options for the western end of the County and he did not think the Board should "shoot down" this proposal because of that issue. Mr. Sparks agreed, stating that he had received only had two complaints about the location of the collection site.

Mr. Lawton confirmed that the current contract continued until either party opted out. Mr. Sparks asked if the Board could wait to make a decision until after it had received information on options for a collection site in the western part of the County. Mr. Lawton reminded that these were two separate issues. Mr. Trout disagreed, stating that there was a counter-offer to alter the current contract that "was not going to do anything for the west end".

Ms. Gowdy indicated that if the Board did nothing, knowing that there was a counter proposal, then the contractor would submit an invoice and would expect payment, and she advised the Board to take action on the counter-offer.

Mr. Sparks indicated that he wanted to keep weekend hours. Ms. Gowdy suggested that the Board counter back with proposed weekend hours.

Mr. Tacosa said that the 612 site would no longer accommodate the brush trailer because of the additional compactor that had been installed there; however, he was still looking at the 618 site as an option.

Mr. Sparks moved to counter offer to retain weekend hours for the convenience of the residents and adjust weekday hours to reflect the current contract price. The members were polled:

James H. Burrell  
Stran L. Trout

Abstain  
Nay

W. R. Davis, Jr.	Aye
David M. Sparks	Aye
Thomas W. Evelyn	Aye

The motion carried.

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IN RE: PRIVATE WELLS WITHIN THE UTILTY SERVICE AREAS

Public Utilities Director Larry Dame reviewed with the Board a proposed agreement template that would be on a future Consent Agenda for approval, which would permit private wells in certain utility service areas into which utility lines had not yet been extended. He reported that after several discussions, DEQ had agreed that it was not their intention to hamper business development, and they had approved the proposed agreement that would require a developer to connect to the public system and abandon their private wells, at their own expense, once the utility lines had been extended.

Mr. Davis asked if a private well was a "good one", could it be taken into the County's system instead of being abandoned. Mr. Dame indicated that it could, as long as it had been drilled to DEQ standards.

Mr. Trout asked if this would affect instances where a new area was brought into the Service Area. Mr. Dame advised those areas would not be affected.

Mr. Sparks asked what would happen if a developer could not afford to connect at the time that the lines were extended. Mr. Dame indicated that the developer would be bound by the agreement.

Mr. Burrell asked what would determine when lines would be extended. Mr. Dame advised that he would perform a cost benefit analysis but the ultimate decision would be made by the Board. He clarified that the developer would not be required to pay any prorated share of the cost of the extension. He indicated that the new utility ordinance contained a mandatory connection policy that would also apply.

Mr. Evelyn reported that he had recently attended a meeting of the Department of Conservation Resources, where a stormwater engineer had been complimentary about the assistance provided by County Public Utilities staff.

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IN RE: PRESCRIPTION DISCOUNT CARD PROGRAM

Mr. Lawton advised that this was a free service provided through the National Association of Counties (NACo) that would allow citizens to receive discounts on prescriptions at participating pharmacies. He explained that all marketing was done by NACo and, unless there was an objection, he would pursue this program for New Kent and bring an agreement to the Board for approval.

He confirmed that all County residents would be eligible to receive the discount card, which might be able to be used for discounts on pet medications as well, and that there would be no cost to the County.

There were no objections to Mr. Lawton pursuing this program and reporting back to the Board.

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IN RE: REDISTRICTING UPDATE

Assistant County Administrator Bill Whitley gave an update on the Redistricting process. He reported that three of the four informational meetings had been conducted, with little attendance, and the remaining one would be held the following evening at the Fire Station in Eltham. He indicated that he had met with local African-American leaders and was scheduled to meet with them again in follow up the following week. He acknowledged Mr. Trout's presentation of information on the plans at recent meetings of the Chamber of Commerce and the Woodhaven Homeowners Association. He confirmed that all information was accessible on the County's website, and he was hoping that residents were looking at the plan information in that manner.

He confirmed that at its meeting on April 11, the Board would be asked to choose a plan to advertise for a May 3 public hearing. He reiterated that this process needed to move quickly so that the information could be submitted to the Justice Department for pre-clearance.

He distributed proposed precinct maps for Plan 4 for the Board to review and thereafter share any comments or concerns. He reminded that the Voter Registrar would have to mail notices to voters whose precincts changed, and that precinct boundaries would also need to be a part of the redistricting ordinance.

There was discussion regarding the State redistricting plans recently released by the General Assembly. Mr. Whitley indicated that neither the House of Delegates plan nor the Democrat plan from the Senate would cause any problems for New Kent; however, the Republican Plan from the Senate would split Eltham along Route 33.

Mr. Lawton noted that it was likely that New Kent would move from Senator Norment's district to that of Senator McDougle.

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IN RE: CHANGE IN JULY MEETING DATE

Before the Board was a request from Chairman Evelyn to change the date of its July business meeting.

Mr. Sparks moved to adopt Resolution R-10-11 changing the date of the July business meeting to Wednesday, July 20, 2011. The members were polled:

Stran L. Trout	Aye
W. R. Davis, Jr.	Aye
David M. Sparks	Aye
James H. Burrell	Aye
Thomas W. Evelyn	Aye

The motion carried.

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IN RE: FY12 INITIAL BUDGET PRESENTATION

Mr. Lawton presented his FY12 budget recommendations.

He reviewed that the proposed budget had revenues and expenditures of \$50,754,149, with

no tax increases, no new borrowing, no major expenditure commitments, no funding of new personnel requests totaling \$415,000, a reduction in departmental requests of \$512,223, and basically the same fees, with the exception of changes in the utility fees and elimination of other fees. He noted that there was some funding in the budget for employee compensation in an amount sufficient to give bonuses or 2% increases starting July 1, 2011, the latter option matching the teacher compensation increase recently adopted by the School Board in its budget. Mr. Sparks commented that there were significant consequences to one form of compensation over the other. Mr. Davis maintained that County employees needed to be treated the same as School employees, and he "guessed the School Board failed to hear that" as they had not discussed compensation with the Board.

There was discussion regarding raises versus bonuses. Mr. Davis commented that there were some valued County employees who worked hard and did not have "tenure" like teachers did, and he would not vote to approve a budget that funded raises for School employees without the same for the County employees.

Mr. Sparks reminded that the Board would be holding a budget work session on April 6 at which time it could talk more about this issue. He indicated he had requested more information on School revenue figures and he felt that more communication with the Schools was needed. He indicated that the Schools had many more employees than the County and he wanted to understand what the additional funding would be used for.

Mr. Evelyn advised that it was his understanding that the School Board was willing to meet with the Board of Supervisors.

Mr. Davis indicated he wanted to be fair and, in the past, the School Board employees had received higher increases than County employees.

The County Administrator indicated that he had not yet seen the budget that was adopted by the School Board.

Mr. Lawton reported that in his recommended budget, there was a 4.9% increase in the General Fund from FY11, in both revenue and expenditures, primarily due to the moving of funds from Fund 20 Meals Tax to the General Fund. There was discussion regarding the practice of appropriating Meals Tax revenue to the Schools, Economic Development and Parks & Recreation. Mr. Lawton advised that the County had continued to follow that funding split, even though the commitment was no longer binding. Mr. Evelyn requested that the Board be provided with a breakdown of Meals Tax revenue for the past five years.

Mr. Lawton reviewed that the Debt Service Fund Balance would be sustained through FY2016 by appropriating \$300,000 annually from the Debt Service Reserve Fund, and after that transfer for FY12, \$1.2 million would be left. He indicated that by FY16, the Debt Service should be "cycled down" at which time the Board could consider shifting those funds to the CIP but he was recommending leaving it there for now.

He reported that all capital projects would be funded with existing cash reserves on deposit in the CIP fund, and that \$4.6 million would remain in the reserves after funding FY12 projects.

He noted that the recommended budget called for a \$10.7 million transfer to the Schools (a \$200,000 increase from FY11); \$5.3 million transfer for Debt Service; \$1.4 million transfer for Human Services. It was confirmed that the School's Average Daily Membership (ADM)

was higher than School officials had anticipated and that the School's budget called for an increase in local funding of \$236,000. He explained that because of some change in State regulations regarding the Comprehensive Services Act (CSA), local funds normally paid to CSA for aides was being transferred to the Schools so that those services could be maintained. Mr. Davis commended New Kent's CSA Director for her hard work in keeping CSA costs down.

Mr. Lawton reported that the net increase in projected revenues totaled \$1,554,493, with decreased revenues from sales taxes, and permits, licenses and fees, and increases in real estate and personal property taxes, and delinquent collections, as well as Meals Tax and business license fees.

He reviewed that, based on a 97% collection rate, the County would receive \$17,733,156 in revenue from real estate taxes calculated on total value of \$2,611,657,741. He indicated that \$40 million in values had been "added to the books" since the first of the year, and that all estimates were based on current "actuals", but he cautioned that decreases in land values were predicted with next year's General Reassessment.

Regarding personal property tax revenues, which he indicated may be adjusted down because of "uncertainty in the market", he advised that, at a 94% collection rate, revenues of \$3,517,894 were expected.

He reported that the value of one penny on the real estate tax rate had a value of \$261,166 (\$253,331 at a 97% collection rate) and that the value of a nickel on the personal property tax rate was \$103,133 (at a 100% collection rate that included payments under the Personal Property Tax Relief Act or PPTRA).

Mr. Trout asked about the effect of the recommendations previously made by the Commissioner of Revenue for ordinance changes. Mr. Lawton advised that those changes would not have much effect and did not need to be considered before the budget was adopted, but were amendments that could be made at any time as they were more of a process than a budget issue.

The County Administrator noted that two-thirds of the County's expenditures went to Schools, Debt Service and Public Safety, pointing out that the highest increase in functional expenditures was for Public Safety in the amount of \$445,286. He clarified that the increase for the Airport was for the court-ordered north taxiway, and that the Airport's operational needs had in fact decreased by more than \$11,000.

There was discussion regarding personal property tax on airplanes, and staff was asked to obtain and provide information regarding the airplane tax rates in surrounding localities. Mr. Trout commented that the airplane tax rates in New Kent had been lowered to increase fuels sales and hangar rentals. There was also discussion regarding the tax rates on boats.

Mr. Lawton next reviewed the CIP projects recommended for FY12 totaling \$2,762,395. He confirmed that there were no major building projects, and that two-thirds of the local cash-funded projects included deputy patrol cars, school buses and ambulances. He indicated that the Utility CIP projects included the interconnection of the systems and SCADA installation, and that local funds were included for the north taxiway at the Airport. He indicated that it was anticipated that the cost of the taxiway would be lower as the FAA had approved a grass strip, but that issue needed some more discussion and had to be approved by the Judge.

Mr. Trout noted that the expenditures that could be affected by the Board were a fairly small percentage of the total, and that there were a lot of expenditures on which the County "had no choice". Mr. Lawton confirmed that percentage was in the neighborhood of 8% – 10%, but that there was some input needed from the Board, specifically whether it wanted to keep a 70-cent real estate tax rate and provide the same level of services. There was discussion regarding the increasing costs of prisoner confinement, increasing crime rate, increasing demand on Social Services, and the increasing school population.

Mr. Lawton reminded the Board of its budget work session on April 6 and requested permission to release the recommended budget to the departments so that there would be time for feedback. There were no objections voiced by the Board members.

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IN RE: CLOSED SESSION #2

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

W. R. Davis, Jr.	Aye
David M. Sparks	Aye
James H. Burrell	Aye
Stran L. Trout	Aye
Thomas W. Evelyn	Aye

The motion carried. The Board went into closed session.

Mr. Sparks moved to return to open session. The members were polled:

David M. Sparks	Aye
James H. Burrell	Aye
Stran L. Trout	Aye
W. R. Davis, Jr.	Aye
Thomas W. Evelyn	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 Chairman inquired whether there was any member who believed that there was a departure from the motion. Hearing none, the members were polled on the certification:

James H. Burrell	Aye
Stran L. Trout	Aye
W. R. Davis, Jr.	Aye
David M. Sparks	Aye
Thomas W. Evelyn	Aye

The motion carried.

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IN RE: OAKS DEVELOPMENT

Mr. Davis moved to accept the proposal by Ken Pair regarding the Oaks Development LC and the Utility Fee Payment Agreement dated September 17, 2007. The members were polled:

Stran L. Trout	Aye
W. R. Davis, Jr.	Aye
David M. Sparks	Aye
James H. Burrell	Aye
Thomas W. Evelyn	Aye

The motion carried.

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IN RE: ADJOURNMENT

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

W. R. Davis, Jr.	Aye
David M. Sparks	Aye
James H. Burrell	Aye
Stran L. Trout	Aye
Thomas W. Evelyn	Aye

The motion carried.

The meeting was adjourned at 5:50 p.m.