

A MEETING OF THE BOARD OF SUPERVISORS WAS HELD ON THE 2ND DAY OF JUNE IN THE YEAR OF OUR LORD NINETEEN HUNDRED NINETY-NINE IN THE BOARDROOM OF THE COUNTY ADMINISTRATION BUILDING AT 5:35 P.M.

IN RE: ROLL CALL

Mark A. Hennaman	Present
Julian T. Lipscomb	Present
Rebecca M. Ringley	Present
James H. Burrell	Present
Frederick G. Bahr	Present

IN RE: EXECUTIVE SESSION

Mr. Lipscomb made a motion to go into executive session for discussions relating to prospective business or industry pursuant to §2.1-344(a)(5) of the Code of Virginia and consultation and briefings by legal counsel, consultants, or staff members pertaining to actual or probable litigation or other legal matters requiring the provision of legal advice by counsel pursuant to §2.1-344(a)(7) of the Code of Virginia.

Mark A. Hennaman	Aye
Julian T. Lipscomb	Aye
Rebecca M. Ringley	Aye
James H. Burrell	Aye
Frederick G. Bahr	Aye

The Board returned from executive session at 6:05 p.m. Mr. Burrell made the certification of executive meeting motion: Whereas, the New Kent County Board of Supervisors has convened an executive meeting 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 2.1-344.1 of the Code of Virginia requires a certification by the Board that such executive meeting was conducted in conformity with Virginia law; Now, therefore, 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 meeting requirement by Virginia law were discussed in executive meeting to which this certification resolution applies and (ii) only such public business matters as were identified in the motion convening the executive meeting were heard, discussed or considered by the Board.

Mark A. Hennaman	Aye
Julian T. Lipscomb	Aye
Rebecca M. Ringley	Aye
James H. Burrell	Aye
Frederick G. Bahr	Aye

IN RE: INVOCATION AND PLEDGE OF ALLEGIANCE

Mr. Burrell gave the invocation and lead the Pledge of Allegiance.

The Board took a short recess and reconvened at 6:13 p.m.

IN RE: PUBLIC HEARING – ORDINANCE O-4-99 establishing Tax Levies for New Kent County, FY1999-2000 Budget, and ORDINANCE O-5-99 establishing Water and Sewer Rates and Fees and Water and Sewer Connection Fees.

Mr. Emerson gave an overview of the proposed FY1999-2000 operating budget of \$24,568,137, which has been balanced without a tax increase. This was made possible by an increase in local discretionary revenues of \$495,934, a strong capital fund balance, and reductions in requested budget allocations. In some instances budget lines were held to the same level as in FY1999. Local revenues for FY2000 are projected at \$11,472,647 and, along with other directed revenues, complete the total FY2000 revenue number of \$24,568,137. In the revenue category both real estate and personal property have been projected at 95 percent collection. Both categories have performed well this year and it appears collections are strong. The county is seeing growth in business license and investment revenues, which may be attributed to a growing business base and a strong fund balance. The state provided revenues for the operation of constitutional offices is seeing limited growth. Pari-mutuel receipts (funds from Colonial Downs) are forecast on numbers provided by the State Racing Commission and have decreased \$154,070.

The proposed budget contains \$14,472,143 for the New Kent County School System with an additional \$400,800 set aside in an enterprise fund for the school food program for total school funding of \$14,872,943. The schools are slated to receive \$345,000 of new local contribution creating a total local allocation of \$6,145,000. This represents an increase of 5.95 percent in local funding. The budget reflects a 3 percent cost of living increase for county employees and 6.25 percent for constitutional officers with 13.7 percent for Sheriff's deputies, as directed by the State Compensation Board. Social Services employees are covered under a new plan administered by the State Department of Social Services and we have yet to receive information as to what their recommended salary increases will be. County employees will also be eligible for a 0-3 percent merit increase based upon a performance review and effective on their anniversary date.

Highlights of the FY2000 budget are:

New Initiatives – Staff has recommended the Board of Supervisors consider creating a Parks and Recreation Department at a cost of \$76,943. There has been a standing request for the past several years from the Board's appointed Parks and Recreation Commission to create and staff a department for the organization of recreational programs in New Kent County. It is apparent through the completion of the Parks and Recreation Plan the commission is now ready to move forward with clear goals and objectives. In the economic development category, staff has recommended allocation of \$35,000 to begin a part-time marketing program and \$15,000 to continue research of a regional economic development organization which would include the communities of New Kent, King William, and Charles City Counties. Also worthy of noting is the recommendation to continue the position created in mid FY1999 of airport manager for the New Kent Airport.

Staff Positions – New positions are being created in the following areas: Criminal Justice Board – funds to cover New Kent's percentage share to create a case manager position for the court system. A letter was received in today's mail from Ms. Katie W. Green, Administrator of the Colonial Community Corrections Board, relating that several communities had elected to support this position, however not all the communities elected to participate. Therefore they felt it was unfair to expect the other localities to pick up the total cost of this position, so they are withdrawing this request for this year. The approximately \$2,000 that had been set aside for this will be remitted to the contingency fund. It has been recommended a Parks and Recreation Department be created and along with that department comes a director and a secretary. Under Social Services, funds have been provided for a social worker/family preservation coordinator. In the Sheriff's Department funds have been provided to pick up three existing positions

whose grant funding has expired as well as new grant funds for two additional positions. Since the compilation of the draft budget and recommendation, the Sheriff has informed my office he has been provided additional funds by the Compensation Board for a deputies position, therefore he will be withdrawing his request for one of the grant funded positions. In the Water/Sewer Enterprise Fund monies have been allocated for two sewage treatment plant operators and one utility mechanic. In the event the Board of Supervisors chooses to contract with Hampton Roads Sanitary District for the operation of the wastewater treatment facilities, the two wastewater treatment plant operators will not be necessary.

Capital Requests – Staff has been able to recommend funding of numerous capital items for FY2000 due to the Board's diligence in creating a strong capital fund. Items recommended for funding under capital requests include: Seven new vehicles for the Sheriff's Department, new vehicles for building inspections, animal control, and the water and wastewater enterprise funds, re-chassis of a brush truck for Fire Company 2, and a replacement brush truck for Fire Company 3, new communication equipment for animal control, funding of a median break in Route 33 for Fire Company 3, continued funding of turn out gear for the fire departments, funding of design fees for a new fire station for Fire Company 1, funding for the resurface of the refuse collection site on Route 647, funding for a drive through drop-off refuse facility at Route 618, pavement of the parking lots at the old courthouse to provide additional parking, funding of the ISTEAs sidewalk project to connect county facilities with a pedestrian walkway, funds at the airport to include terminal building repair, plans and specs for hangar repairs, perimeter fencing, runway/apron crack sealing, relocation of windsock, upgrading of the fuel pump, and replacement of the heat pump. Funds have been set aside to purchase the 15 acre out parcel at the proposed school site as requested by the school system; and, in the water and sewer enterprise funds, monies have been set aside to replace Kenwood well #2.

Other items worthy of mention are: Reassessment Services – funding is provided for the continued process of reassessment of real estate in the county. This will complete the reassessment currently underway, which will place the county in a four year reassessment cycle. County Code Codification – funds have been continued in the FY2000 budget for the completion of the County Code and minutes codification project. Once this project is completed, the County Code and minutes will be available in a computerized format that will be user friendly.

A contingency fund of \$246,545 has been created and set aside in the event additional funds are needed throughout the year for unforeseen reasons or as a safety net if revenues do not perform as projected. If these funds are not utilized during the year, the contingency fund then reverts to the fund balance, building a strong financial foundation for the county.

The Chairman and I met with the Juvenile Court Judge and he informed us that the clerk of the Juvenile Court will be retiring this year and requested we restore money in his budget for mediation and office staff training. This will be about a \$1,000 increase for the Juvenile Court budget, but with the money we are saving from the Colonial Community Corrections position and the matching funds that would have gone towards the Sheriff's grant position, there may actually be an increase in the contingency fund.

Ms. Lisa Dessoiffy gave a presentation on the proposed FY1999-2000 operating budget.

The Board members questioned comprehensive services monies, and the perimeter fence at the airport.

Mr. Bahr opened the public hearing. The first citizen to speak was Mr. George Philbates. Mr. Philbates stated Mr. Robert Boroughs had asked him to read a letter. Mr. Bahr told Mr. Philbates he had a copy of the letter and intended to read it at the June 14 meeting and has asked the Parks and Recreation Commission to respond to it. The next person to speak was Mr. Gary Green. Mr. Green thanked the

Board on behalf of the tenants at the airport for putting the funding of the airport in the budget. He stated his appreciation for the airport manager and the work he has accomplished. On behalf of all the tenants, they will do everything they can to support helping the airport grow and Mr. St. Jean's efforts. The next person to speak was Mr. Shawn Pratt. Mr. Pratt echoed Mr. Green's comments. He thanked the Board for their hard work in making the airport viable and praised Mr. St. Jean's efforts. He apologized to Ms. Ringley for doubting that she would look at all three options and said the entire Board had done an outstanding job doing this, even though some may have doubted they would. He also mentioned the fly-in that occurred at the airport the past weekend. The last person to speak was Ms. Alease Christian. Ms. Christian thanked the Board for the budget flier they had sent out to the citizens. She also thanked the Board for what they had done for the School Board and teachers and hoped something could be done for the mechanics and bus drivers, etc. in the future. She also thanked Mr. Emerson and the Board for allowing something to be done for county staff, which is sometimes overlooked. She supported the budget. Mr. Bahr closed the public hearing. Mr. Hennaman questioned the fencing around the airport, which he had been told would be four foot tall. Mr. Emerson said it was a six foot fence that was included in all the studies that have been done on the airport as well as the Airport Layout Plan. It was intended to keep animals – two legged and four legged – off the property. Mr. Burrell stated his concern over the fence was the cost, which had been explained as funded mostly by grant monies. Mr. Bahr stated they planned on adopting the budget on June 14 as well as the two ordinances.

IN RE: RESOLUTION R-17-99 approving issuance of Industrial Development Revenue Bonds for Basic Construction Company, L.L.C.

Mr. Charles Davis, Chairman of the Industrial Development Authority, reported the financing included the acquisition, construction and equipping of an asphalt plant located at Parham Landing, and the Board had received the summary of comments expressed at the public hearing on May 20, 1999. The Industrial Development Authority unanimously adopted the inducement resolution recommending the approval of funding. Mr. Ben Williams, legal representative for Basic Construction, gave a short presentation on Basic Construction. The initial capital investment by Basic is approximately six million dollars for the first phase, which will include \$3,250,000 in core manufacturing equipment, \$210,000 for allocation equipment and \$2,400,00 in ancillary equipment for a total of \$5,896,255. They are seeking \$10,000,000 in financing, of which \$5,000,000 will be tax-exempt bonds and \$5,000,000 will be taxable bonds. Mr. Williams reviewed the fiscal impact statement detailing the forecasted economic impact the project will have on the county. Basic Construction has requested these bonds to allow them to acquire, construct and operate and be competitive by: lowering their debt service; allowing them to operate more closely to the areas and the projects to which it will provide asphalt thereby reducing delivery transportation costs; allowing to be closer to the quarries from which it acquires and transports its rock and sand raw materials thereby further reducing transportation costs; allowing it to provide asphalt and related construction services in a geographical area which the applicant anticipates needs and will need such services to facilitate economic growth; and to operate in an area which the applicant can hire employees which have the ability or can be trained to operate the manufacturing and laydown equipment. The project is estimated to result in \$4,100 in annual county real estate taxes, \$56,900 in annual county personal property taxes, and as much as \$1,000,000 in local purchases of goods and services. Mr. Derek Patterson, Vice President of Field Operations for Basic Construction, reviewed Basic Construction's growth in the Oyster Point area of Newport News and described how a continuous mix drum mix plant operates. Mr. Patterson reviewed the site plan. The Board commented and questioned the buffer of trees, and the noise level of the plant (Mr. Davis said he, Mr. Emerson, and Mr. Tyson had toured the Oyster Point plant and the noise was minimal and there was not a noticeable smell.) Mr. Williams confirmed there was no way the county would be liable for approving this issuance. Mr. Cornwell stated the summary of the comments from the Industrial Development Authorities public hearing of May 20, 1999 showed no negative comments. The inducement resolution adopted by the Industrial Development Authority

approved the issuance of this financing along with their recommendation the Board of Supervisors approve this issuance. The bond issue is not to exceed \$10,000,000 with the tax-exempt portion of that not to exceed \$5,000,000 and taxable portion not to exceed \$5,000,000. State Code requires the local governing body to approve the resolution. Mr. Cornwell confirmed the county could not be held liable for the issuance of these bonds. Mr. Lipscomb made a motion to approve Resolution R-17-99 as presented.

Mark A. Hennaman	Aye
Julian T. Lipscomb	Aye
Rebecca M. Ringley	Aye
James H. Burrell	Aye
Frederick G. Bahr	Aye

FOR RESOLUTION R-17-99 AS ADOPTED, SEE BOARD OF SUPERVISORS ORDER BOOK, APPENDIX SIX, PAGE 199.

IN RE: MEETING SCHEDULE

The regular meeting of the Board of Supervisors will be on Monday, June 14, 1999 at 6:00 p.m.

IN RE: ADJOURNMENT

Mr. Hennaman made a motion to adjourn.

Mark A. Hennaman	Aye
Julian T. Lipscomb	Aye
Rebecca M. Ringley	Aye
James H. Burrell	Aye
Frederick G. Bahr	Aye

The Board adjourned at 7:24 p.m.