

At the regular meeting of the Giles County Board of Supervisors on Wednesday, June 30, 2010, at 10:00 a.m. in the Giles County General District Courtroom, 120 North Main Street, Pearisburg, the following were present:

Barbara Hobbs	Chair (Central District)
Eric Gentry	Vice Chair (Eastern District)
Howard Spencer	Western District
Richard McCoy	At Large Supervisor
Paul "Chappy" Baker	At Large Supervisor
Rhonda Tickle	Bookkeeper
Gina Franklin	Substitute Board Secretary

CALL TO ORDER/INVOCATION

Ms. Hobbs called the meeting to order. Mr. Baker offered the invocation and led the Pledge of Allegiance.

APPROVAL OF MINUTES

Mr. McCoy moved to approve the minutes of June 2, 2010. Seconded by Mr. Baker. Approved unanimously (5-0). Voting YES: Ms. Hobbs, Mr. Spencer, Mr. McCoy, Mr. Gentry, Mr. Baker.

VDOT REPORT – DAVID CLARKE

Mr. David Clarke reported Lurich Road, Springdale Road, Bear Springs, Goodwins Ferry Road work has been completed. At this time he was unsure if the rocks had been removed from the median in Newport. They presently have a crew working on the Rt. 724 slide. VDOT has hired a contractor to use a soil nail launcher technique. This is a new technique they are applying to the slopes to reduce the size of slides. It is not a retaining wall. It looks very nice and neat.

Ms. Hobbs asked if this new technique actually worked and if it would work on 460 Westbound in the bluffs. Mr. Clarke stated it does work and is in place at the slide at Celanese.

Mr. McCoy asked what progress has been made with Burton Road. Mr. Clarke stated they are working with the property owners. It is not a construction project but a drainage issue that needed to be addressed. Mr. McCoy stated if the road could be built up, not necessarily paved would be a great improvement. Mr. Clarke stated VDOT has conducted a drainage study and the corrective measures are fairly expensive.

Mr. Spencer asked if the speed study had been completed on State Line Road. Mr. Clarke said he was not for sure but would check the status. Mr. Spencer also commented on the patch work on the Rt. 219 bridge and the underpass on Lurich Road. Additional work needed to be done to these two areas for safety purposes.

Ms. Hobbs asked the status of Clendenin Road. Mr. Clarke stated they have basically hit a wall with one of the property owners. Ms. Hobbs asked if a portion of the road could be completed or narrow the inlet. Mr. Clarke said the property owner they are having trouble with owns the majority of the project area. Ms. Hobbs asked if the County could mediate between the property owner and VDOT. She proposed Mr. Clarke contact the County Administrator with the details

and the particulars of the current negotiations. Mr. Clarke stated he would write Mr. McKlarney a letter outlining the issues.

Ms. Hobbs also thanked Mr. Clarke for taking care of the entrance at Prospectdale Road. Ms. Hobbs stated she had several calls from three property owners they have had flat tires. She asked if some machine work could be done on the road. VDOT had basically hauled gravel out there and didn't spread it.

Mr. Gentry asked if Olean Road was completed. Mr. Clarke stated it had been completed. Mr. Gentry also stated there are a lot of big trees and tall grass along Guinea Mountain Road and Commissary Hill Road which is inhibiting the sight distance along these road. Mr. Clarke stated they will begin mowing in approximately 2 weeks. Mr. Gentry asked if they were scheduled to pave Doe Creek Road. There are a lot of long linear cracks in the pavement. Mr. Clarke stated they are not doing any paving at this time. Only patch work. Mr. Gentry also stated the low water bridge off of Old Furnace Road needed to be looked at. It is in poor condition and it is the only access for the residents that live past the bridge. Mr. Clarke stated he would add it to their list to review.

SCHOOL BOARD REPORT – TERRY ARBOGAST

Mr. Arbogast reported as of June 11, current enrollment is 2,536. This is a decrease of 5 students since the end of May and a decrease of 13 since last year.

He stated the preliminary SOL scores were promising:

	English	Math	Science	History
Eastern Elementary	85%	92%	89%	89%
Macy McClaugherty	86%	83%	90%	91%
Narrows Elementary	89%	93%	96%	92%
Giles High School	86%	84%	89%	92%
Narrows High School	82%	90%	88%	83%

Mr. Arbogast stated these scores show how hard the teachers are working and he is very pleased with the preliminary scores.

Mr. Arbogast stated the vocational school renovations are in the final stages and should be complete before school begins. The renovations at Eastern Elementary will not be completed. They have run into issues with the demolition and dehumidification. They are looking at roof drains as another option to correct the ongoing problem with the roof.

Ms. Hobbs asked what activities were going on at Giles High School. Mr. Arbogast stated summer school.

Mr. McCoy complimented the article that was printed in the New River Valley Current on our Gifted Program.

Mr. Spencer asked if the quality of work at the vocational school was adequate. Mr. Arbogast stated it was very good. He was pleased with the job.

CONSTITUTIONAL OFFICERS

Sheriff Millirons: Sheriff Millirons reported for the month of June there have been 435 civil papers served, 58 arrest warrants issued, 2 DUI arrests and 28 traffic summons. He stated they have concentrated on school safety and training for the seniors and 7th graders. Giles County Sheriff's Department is the 1st department in the State of Virginia to conduct RAD training to high school senior girls who have elected to go to college. This class is a rape aggression defense class that better prepares young women against attackers. Sheriff Millirons stated the transition from elementary school to high school can be a rough experience for some 12-13 year old children. Deputies have talked to the 7th graders and explained what to expect entering high school.

Sheriff Millirons also stated they have conducted car safety programs for senior citizens. We have 3 deputies currently in RAD training at Virginia Tech to become instructors.

The investigators have had 2 DNA hits on previous unsolved breaking and entering cases. Due to the proper collection of the evidence, they were able to issue arrest warrants in both cases.

He stated there is still an on-going problem with prescription drugs being used illegally in the County. They will issue some indictments in July but the majority will be issued in October due to ongoing investigations.

The School Resource Officers are now on road duty for the summer which relieves some deputies to take vacation and comp time earned. Deputy Jerry Gautier will be retiring in September. We are applying for grants for additional officers and equipment when such grants become available.

Sheriff Millirons comments they will be having a public auction on July 17, 2010 at Colonial Auction to auction off several vehicles that have been seized.

Ms. Hobbs state the traffic on Witt Riverbend Park road is constant. Vehicles stopping, waiting on other vehicles, parked for short periods of time. Ms. Hobbs asked if something could be done regarding this suspicious activity. Sheriff Millirons stated they have been watching that area for quite some time but their timing hasn't been good on actually catching any illegal activity in progress. Ms. Hobbs suggested sending deputies to sit along the river bank fishing to increase their chances on catching illegal activities. Sheriff stated also they are working McCoy Falls as well. They have worked 2 drownings in June, both college students.

Mr. McCoy commended the Sheriff on his vote for the Regional Jail budget. Mr. McCoy questioned the excess of \$1 million. Mr. Baker stated that money was to be divided among the localities. The Sheriff stated the regional jail will separate the funds in August which should divide out into approximately \$100,000 per locality.

Mr. McCoy stated they had to be making a profit and had just raised their per diem to \$29 per day. He further commented they hold the inmates for more days due to the State closing their facilities. He asked why they are waiting until August to release the funds to the localities. Sheriff Millirons stated they supposedly were waiting to see if those funds could be used for renovations on the old portion of the building. Mr. Gentry questioned if the repairs needed was not still under warranty. Sheriff Millirons stated it was not.

Sheriff Millirons further stated he does not agree with the way they handle a lot of their business. Stated an example being having a wait time of approximately 2-3 hours to pick up subjects placed under arrest.

Ms. Hobbs commented the regional jail has broken every promise they made to localities from the beginning.

Mr. Baker expressed concern over the high turnover rate of officers. We pay to have them trained and they leave because of the way they are treated by Captain Murphy. Sheriff Millirons stated he had addressed those concerns and the overall moral of the officers with the Personnel Committee. The longest wait time for the transport van to come to Giles is when he is on duty.

Sheriff Millirons stated he has voiced and will continue to voice his concerns for Giles County.

PUBLIC HEARING – BUDGET AMENDMENT

Mrs. Tickle stated the purpose of this public hearing was to make allocate \$16.6 million dollars to cover the school renovations costs. The money is there. This is a technicality and has to be shown on the books for Fiscal Year 2009-10 to carry over to Fiscal Year 2010-11. She stated this public hearing does not fall under the 7-day waiting period like most public hearings do. The money is already allocated, it has to be moved to be shown on the County books correctly.

Mr. McCoy moved to allocate \$16.6 million dollars by increasing the FY 2009-10 budget and approve the carry over of any funds from FY10 to the FY11 budget and increase the FY11 budget by that amount in order to finish the project. Seconded by Mr. Gentry. Approved unanimously (5-0). Voting YES: Ms. Hobbs, Mr. Spencer, Mr. McCoy, Mr. Gentry, Mr. Baker.

OLD BUSINESS

2010-11 BUDGET APPROVAL

Mr. McCoy moved to approve the 2010-11 budget of \$50,127,142. Seconded by Mr. Baker. Approved unanimously (5-0). Voting YES: Ms. Hobbs, Mr. Spencer, Mr. McCoy, Mr. Gentry, Mr. Baker.

PLANNING COMMISSION RECOMMENDATION – CRAIG WHITTAKER

Mr. Whittaker stated the purpose of the recommendation is to take action on a special exception application made by Mike Fuller, 122 Riverview Lane, Eggleston. He is seeking a special exception on Section 602.03-21 for a boarding house, bed breakfast. Mr. Fullers specific planned use under that section is for a tourist home.

The public hearing was held on June 22, 2010, comments were taken and the Planning Commission's recommendation is to approve Mr. Fuller's request.

Mr. Whittaker stated Mr. Fuller's application is two fold. One seeking designation for the existing cabin that is on the property and also for a new proposed 24 x 24 cabin structure. At the May 25, 2010 meeting, after discussion, the recommendation was tabled until more information could be obtained and a site visit could be conducted by the Commissioners. After the site visit, the Planning Commission recommended approval of Mr. Fuller's application.

Mr. Spencer asked if there were any conditions that have not been met.

Mr. Gentry stated several concerns and issues were presented in reference to property lines but the main issue was that the structure would be really high off the ground. Mr. Sonny Jeffers, contractor assured the commission that it was only going to be a one level structure. Other issues of concern were the condition of the property after the first structure was built. Mr. Gentry stated the property has been cleaned up and the fencing has been fixed and it does look decent.

Ms. Hobbs stated that a special exception is a privilege and not a right. She stated that special exceptions must maintain a peaceful environment for the neighborhood and she can not see that this exception will fit the existing surroundings.

Mr. Baker stated that he violated his first special exception request when the first house was built. Mr. Whittaker stated the permit was issued for a single family dwelling in which his son was going to live in and it never occurred. Mr. Baker said with the violation of the first request, he can not see approving a second request. And with the additional structure would this not be considered commercial and a VDOT entrance be required. Mr. Whittaker stated VDOT will have to enforce whether or not it is classified as commercial. If VDOT requirements state that weekly rental is a commercial use, then he will have to apply with VDOT. As far as two being on one property, it is allowed because he has 4.46 acres. The Planning Commission is in charge of looking at the ordinance and this situation, it is strictly the use of the property. They are not looking at and can not look at structure wise what it is going to look like. This building he is wanting to build can be applied for like the first structure. A single family dwelling or for annual rental. It's the use of being rented on a week to week basis. That is strictly what the planning commission has to look at. Would a weekend rental be detrimental verses a monthly rental. That is what the commission based their recommendation on. They discussed these very issues but ultimately they had to base their decision on the use of the property.

Ms. Hobbs stated the use has to be compatible to the area. Mr. Gentry stated they discussed other rural rentals in the County and it's a draw for tourists.

Mr. McCoy stated we have spent 2-1/2 to 3 years granting special exceptions for people that were outside the code such as Kire Lane. This exception is different because the previous exceptions were based on what was already there. Campers, cabins, etc. Mr. McCoy stated the use is different in this case because there are not structures being used in the surrounding area for weekend rentals.

Mr. Whittaker added they have found several facilities operating outside the realm of the ordinance now. They are advertising on-line. Mr. Whittaker stated there will be several more applications coming in the future because over half of them have been notified that they are operating in violation. He stated there are a couple that are like Mr. Fullers request and there are probably four more that are along the river. So once again, its just the use that they need to consider.

Ms. Hobbs asked if Mr. Whittaker was in agreement that special requests are a privilege and not a right. Mr. Whittaker stated she was correct. They have to ask permission to go a little outside the permitted use. But it's a predetermined list of "outside the box" uses that can be applied for.

Mr. Gentry asked what direction is the Board headed in if we do not approve this one. Can they approve future requests and not this one. We want and need the business. We are a river community.

Mr. Whittaker stated these situations happen all the time and we never know about it. People in this County rent their houses out all the time. On this particular instance, we knew what was going on so therefore Mr. Fuller submitted a request to be in compliance. The ones advertising on line, we know about and are addressing. If this request is denied for the existing structure, Mr. Fuller will be sent a letter stating that operating in that manner is a violation of the ordinance and he has so many days to stop operating in that manner.

Mr. McCoy moved to deny the special exception request for short term lease properties, existing and the future structure due to it not matching surrounding areas with the use of the property. Seconded by Mr. Baker.

Further discussion: Mr. Spencer state he has only went against the planning commission recommendation two times during his time on the Board. Those two times, the planning commission was not unanimous in their recommendation. Mr. Gentry stated this vote by the commission was unanimous to approve. Ms. Hobbs stated that there should be no conditions on any special exception requests. It should either be approved or denied. Mr. Whittaker stated the planning commission took all the personalities and people out of it and looked at this request solely on use and whether it would be detrimental to the neighboring property owners.

Motion was denied to approve Mr. Fuller's request (3-2): Voting to deny was Mr. McCoy, Mr. Baker and Ms. Hobbs. Opposed was Mr. Gentry and Mr. Spencer.

Mr. Whittaker stated a letter would be sent to Mr. Fuller to let him know his request has been denied and his existing use can no longer continue. Mr. Whittaker asked if his existing special exception for a welding shop/contractor storage yard with 1 acre of outdoor storage will continue. The Board agreed. Mr. Whittaker stated he just wanted clarification that his existing special exception requests could continue. Mr. Gentry stated his existing structure could be rented for a 30-day period or a single family dwelling. Mr. McCoy stated the transient mark was based on 30 days.

SCENIC RIVER DESIGNATION

Ms. Hobbs stated a motion needed to be made in reference to the study being conducted.

Mr. Baker moved to leave the river in Giles County as it is. No studys or designations or any part of the New River in Giles County. Seconded by Ms. Hobbs.

Discussion: Mr. Spencer commented that everyone he has spoken with is very apprehensive regarding this designation. Mr. McCoy stated no other County in the water shed is designated. Mr. Gentry stated there are a lot of words in the designation that would allow a lot to be permitted. He further stated he spoke to an outfitter and politely asked him what the main reason was they wanted the designation. Mr. Gentry commented it was not to protect the river but to have the river designated for profit reasons. Mr. Gentry stated the outfitter agreed the designation would bring in more business. Mr. Spencer stated he spoke with the lady that made the presentation as she was leaving and she asked him if he could get a consensus. Mr. Spencer asked what if the property owners do not want it. She stated to Mr. Spencer to override their wishes. Mr. Spencer did not agree with her statement.

Mr. Bakers motion was approved unanimously (5-0): Voting YES: Ms. Hobbs, Mr. Spencer, Mr. McCoy, Mr. Gentry, Mr. Baker.

RATE CHANGES - CASTLE ROCK AND WELLNESS CENTER

Ms. Hobbs stated this item would be rescheduled to the July 15th meeting.

NEW BUSINESS

BOND DOCUMENTS – REFINANCING

Mr. Walter Goldsmith with Davenport & Company stated in 2008, Giles County obtained approximately \$3 million dollars of taxable financing for the Nanosonic project. In 2009, the President passed the American Recovery and Reinvestment Act which allows taxable bonds to be refinanced as untaxable.

Davenport received bids from 3 banks for this refinancing: BB & T, NBB, and First Community Bank in Princeton, WV.

Based on the interest rate, length of time to lock in rate and prepayment, Davenport recommended awarding the financing to BB & T.

15 year option:

BB & T:	4.27% fixed rate, 20 yr maturity prepayable on any date at 101%
1 st Community:	5.95% for first 5 yrs; adjusted every 5 yrs to 75% of Wall Street Journal prime rate with floor rate of 4.25%, prepayable on any date without penalty
NBB:	4.27% adjusted every 3 yrs to US Treasury securities rate +2.5%; 3.95% floor and 4.95% ceiling. No ability to prepay.

20 year option:

BB & T:	4.75% 20 years fixed rate, 20 yr final maturity, prepayable on any date at 101%
1 st Community:	N/A
NBB:	4.53% adjusted to every 5 years to US Treasury securities rate +2.25%; 4.10% floor and 4.98% ceiling. Partial or full repayment can be made at any time without penalty.

Mr. Goldsmith stated the existing payment is \$274,000. The rate of 6.52% resets in 2012.

15 year option:

BB & T:	\$241,000
1 st Community:	\$234,000
NBB:	\$241,000

30 year option:

BB & T:	\$251,000
1 st Community:	N/A
NBB:	\$247,000

Mr. Gentry asked if there would be a penalty for the roll out on the existing note. Mr. Goldsmith stated no. Mr. Spencer asked if there is a current volume cap on financing for such projects. Will this impact future projects? Mr. Goldsmith stated this was just for the recovery zone under the Stimulus plan. It would not affect future projects.

Mr. Gentry moved to award refinancing the Nanosonic bond with BB & T. Seconded by Mr. Baker. Approved unanimously (5-0). Voting YES: Ms. Hobbs, Mr. Spencer, Mr. McCoy, Mr. Gentry, Mr. Baker.

PAVEMENT BID – COURTHOUSE PARKING LOT

Ms. Hobbs stated Hunter Paving was the lowest bidder at \$55,000 to pave the Courthouse parking lot. Mr. Gentry asked if this included the striping. Mr. Houck stated it does.

Mr. Spencer moved to award the paving of the Courthouse parking lot to Hunter Paving. Seconded by Mr. Baker. Approved unanimously (5-0). Voting YES: Ms. Hobbs, Mr. Spencer, Mr. McCoy, Mr. Gentry, Mr. Baker.

PAYMENT OF WARRANTS

Mr. McCoy moved to approve \$902,706.76 and \$56,107.67 for payment of warrants as presented. Seconded by Mr. Spencer. Approved unanimously (5-0). Voting YES: Ms. Hobbs, Mr. Spencer, Mr. McCoy, Mr. Gentry, Mr. Baker.

SCHOOL BOARD APPROPRIATION

Mr. McCoy moved to approve \$2,104,738.42 for School Board request. Seconded by Mr. Baker. Approved unanimously (5-0). Voting YES: Ms. Hobbs, Mr. Spencer, Mr. McCoy, Mr. Gentry, Mr. Baker.

SOCIAL SERVICES APPROPRIATION

Mr. Gentry moved to approve \$215,000 and \$153,000 for Social Services request for the month of July, 2010. Seconded by Mr. Baker. Approved unanimously (5-0). Voting YES: Ms. Hobbs, Mr. Spencer, Mr. McCoy, Mr. Gentry, Mr. Baker.

VRS RESOLUTION – RHONDA TICKLE

Mrs. Tickle stated General Assembly changes in reference to VRS will be in effect July 1, 2010. These changes apply to new hires. Currently 5% portion is being paid by localities. Effective July 1, the 5% portion is to be paid by the employee.

Ms. Hobbs asked if this will be difficult to track. Mrs. Tickle stated it would not be. It would only apply to new hires. Ms. Hobbs stated the action taken today would stay in effect for one year. Mrs. Tickle stated the Board could elect 1% to 5%. Mr. McCoy stated it would be wise to ask new hires to pay the full 5% to start with and then maybe in the future when there are not so many budget constraints the County could pick up a little at a time.

Mr. Gentry asked what action the School Board is taking. Mrs. Tickle stated at this point she is not for sure what action they will take. Mr. McCoy asked if it was different for teachers. Mrs. Tickle stated it was different so the decision the Board of Supervisors make will not affect the School Board employees.

Mr. McCoy moved for all new hires after June 30, 2010 be responsible to pay their 5% into the VRS. Seconded by Mr. Spencer. Approved unanimously (5-0). Voting YES: Ms. Hobbs, Mr. Spencer, Mr. McCoy, Mr. Gentry, Mr. Baker.

BUDGET TRANSFERS AND SUPPLEMENTS

Mrs. Tickle stated at year end there are several line items where we have spent more in some and less in others. The transfers and supplements are just to clean up the year end accounts. The \$47,371.49 supplement is from the rescue squad. The County purchased 2 new vehicles and the rescue squad reimbursed the County on the same day. The \$16.6 million supplement for the school board is in reference to the earlier public hearing. Mr. Gentry asked what the codes for the school board represent. Mrs. Tickle stated:

- 61 Instruction
- 62 Office of Principle
- 63 Buses, Transportation
- 64 Maintenance
- 65 Food
- 66 Construction
- 67 Debt Service
- 68 Technology

Ms. Hobbs moved to approve the budget transfers and supplements as presented. Seconded by Mr. Gentry. Approved unanimously (5-0). Voting YES: Ms. Hobbs, Mr. Spencer, Mr. McCoy, Mr. Gentry, Mr. Baker.

Mr. Houck asked about the carry over money for the new radios. Mrs. Tickle stated we are not ready to write that check as of June 30 because it will be used from surplus money and after July 1 she will do a line transfer.

INSURANCE

Mr. Spencer asked if we have received a number from the insurance agent in reference to how the breakdown looked as far as coverage for the employees. Mrs. Tickle stated we have just finished with open enrollment. We are now offering Key Care 25, 30 and 2,000. Only 5 employees took the 2,000 deductible. Mr. Spencer stated if we knew what coverage the employees were going to select ahead of time, it could save the County money. Mrs. Tickle agreed. But she stated in order to do that, we need to start working on next year now. Its not something that can be decided in June of each year before it become effective in July. Open enrollment has to be in place because it is pre-taxed.

CARILION CONTRACT

Ms. Hobbs stated Carilion was awarded the 24/7 Emergency Services contract. There have been concerns made in reference to Giles County paying for their services and they respond to calls in Craig County. Ms. Hobbs stated she needed a consensus from the Board to allow Mr. McKlarney to negotiate some type of agreement with Craig County. Mr. McCoy stated he had spoken to Mr. McKlarney regarding this issue. Craig County needed to pay for those calls. Mr. McCoy stated we can not obligate Giles County to answer calls in Craig County at the tax payers expense.

Board was in full agreement to allow Mr. McKlarney to address this issue with Craig County.

AGRICULTURE ADVISORY APPOINTMENT

Mr. Spencer moved to appoint J.B. Buckland to the Agriculture Advisory Committee for a 2 year term. Seconded by Mr. McCoy. Approved unanimously (5-0). Voting YES: Ms. Hobbs, Mr. Spencer, Mr. McCoy, Mr. Gentry, Mr. Baker.

Mr. Gentry complimented the retirement reception for Mrs. Linda Boggs was very nice and she will be missed.

With no further business, Ms. Hobbs adjourned the meeting until the recess meeting scheduled for July 15, 2010 at 6:30 p.m.

APPROVED

ATTEST:

Clerk