

MEETING #17 March 13

At a Continued Meeting of the Madison County Board of Supervisors on March 13, 2014 at 4:00 p.m. in the Thrift Road Conference Room located at 302 Thrift Road:

PRESENT: Doris G. Lackey, Chair
R. Clay Jackson, Vice-Chair
Jonathon Weakley, Member
Robert W. Campbell, Member
R. Clay Jackson, Member
Kevin McGhee, Member
V. R. Shackelford, III, County Attorney
Ernest C. Hoch, County Administrator
Leo Tayamen, Finance Director

ABSENT: Jacqueline S. Frye, Deputy Clerk

Agenda:

1. Call to Order

2. Pledge of Allegiance & Moment of Silence

The Board of Supervisors commenced their meeting with the Pledge of Allegiance and a moment of silence.

3. Determine Presence of a Quorum/ Adopt Agenda

Chairman Lackey advised that a quorum was present.

Chairman Lackey advised of four (4) items that will need to be discussed for information/correspondence by the Board.

Supervisor Jackson moved the adoption of today's Agenda as amended, to include "Information/Correspondence", seconded by Supervisor Campbell, with following vote recorded:

Doris G. Lackey	Aye
R. Clay Jackson	Aye
Jonathon Weakley	Aye
Robert Campbell	Aye
Kevin McGhee	Aye

4. VML/VACo Financing

The County Administrator provided input on the documentation (attached to the minutes) related to the VML/VACo financing; numbers provided corresponded to Appendix A as

provided. The closing date will be April 3, 2014; the loan will basically reset on the third day of each month thereafter. Closing date will be subject to the Board's approval today, with the initial draw of \$500,000.00 with closing costs of \$7,750.00. The fee will be broken into three (3) components which will typically not change, but is applicable for short-term loans. Any substantial changes will be reported to the Board immediately.

The County Administrator advised that in the event of default of the loan, an early termination charge (i.e. bank prime plus 1.5%) will be charged. The interest rate on the loan must be paid for two (2) years and the County will be obligated to pay interest through July 2017 – after that time, principal and interest will need to be paid thereafter. The total line of credit will be \$2,500,000.00. Additionally, he feels that interest rates will begin to increase within the next two (2) years and suggested the County look into converting to a set interest rate on the loan.

The County Administrator advised there is currently \$16,000,000.00 in the capital fund with \$8,000,000.00 being reserved for the school projects.

The County Attorney advised the Board will need to adopt the Resolution; the certificate provided today is just for informational purposes.

The County Administrator explained the rate calculations as denoted on the documentation presented for discussion; he also explained the process the IDA (Industrial Development Authority) uses to denote total exposure and value of a loan (or line of credit).

The County Attorney advised that before the County tapped into utilizing VML/VACo, the County had to participate in individual bond financing (i.e. Sun Trust) which offered very expensive interest rates and closing costs.

The County Administrator also advised that no funding will be withdrawn without approval from the Board; closing costs will need to be paid prior to October 2014.

Supervisor Campbell moved the Board approve the Resolution of the Board of Supervisors of Madison County, Virginia Authorizing and Approving the Execution and Delivery of a Public Improvement Bond, to Provide Financing for the Acquisition, Renovation and Financing of Certain Public Facilities, In a Maximum Principal Amount Not to Exceed \$2,500,000.00 and the Execution and Delivery of Certain Documents Prepared in Connection Therewith, seconded by Supervisor Jackson, with the following vote recorded with the following vote recorded:

Doris G. Lackey	Aye
R. Clay Jackson	Aye
Jonathon Weakley	Aye
Robert Campbell	Aye
Kevin McGhee	Aye

5. Information/Correspondence

School System:

Chairman Lackey advised she received an email from the Chairman of the Madison County School Board. In an effort to improve communications between both governing Boards, it was suggested that any requests for financial information be forwarded onto the Chairman of the Board of Supervisors, then onto the School Board Chairman, who will in turn,

forward the request onto the Superintendent and fellow School Board members. Once research and documentation has been compiled, the information will then be returned through the same channels.

Concerns were verbalized regarding the CIP Committee, pre-construction meetings and the request submitted by the Madison County School Board.

The County Administrator advised that a schedule of pre-construction meetings will be in place shortly along with other non-construction meetings; he doesn't feel the school system would have any problem with the County's designee(s) attending any of the meetings.

Comments made by the members included the following:

- Information isn't being appropriately communicated
- All parties could be copied on all informational requests
- Information being requested is denoted as FOIA documentation
- Request presented will result in information being lost in the transfer
- The budget process should be sought as a 'two way' endeavor

Chairman Lackey questioned whether the Board would like to address a letter to the Superintendent to advise of future pre-construction conferences.

It was suggested a draft letter be provided from the Board Chairman. It was also advised the County Administrator is only seeking information as requested by the Board.

The County Administrator advised that some of the information being requested is of a sensitive nature; he verbalized concerns as to how some will interpret certain pieces of information being requested on behalf of the County. He also stressed the fact that transparency is needed on the part of the school to show exactly where the increase in funding is needed and the importance involved.

Chairman Lackey suggested the Board advised the intent to copy all requests for at least six (6) months between the Chairmen of both governing Boards and then share the information with the remaining members.

CIP:

Chairman Lackey asked if the Board was in favor of having the County Administrator write a letter to request all CIP Committee members be notified of any upcoming meetings.

The County Administrator suggested the Board members wait until the upcoming meeting and advise of how they'd like to see things work.

Supervisor Campbell suggested the contents of the Memorandum of Understanding be followed as approved.

The County Attorney advised that although the Memorandum of Understanding isn't a fine piece of legal work, the existing agreement is the best that could be done at that particular time. Although the school board is a separate entity, the County still controls the funding. In closing, he suggested the County continue with the concept of the agreement and both entities should try to work with all parties involved, although it isn't deemed necessary to involve all members with every detail that arises.

The 'operative paragraph' contained in the Memorandum of Understanding was read for clarification that suggested:

- ✓ Monthly meetings be held with representatives from both governing boards;
- ✓ Minutes will be kept
- ✓ Changing requiring Board action will should be sent to both Boards for review and consideration

The County Attorney suggested the County continue with the existing process as defined in the agreement.

Supervisor McGhee advised the concept appears to be very oriented toward the school projects; however, he indicated the capital improvement plan goes beyond the school renovation projects.

It was advised the MOU was geared toward the school renovations; however, the Superintendent also advised that an addition to the primary school may be needed in order to have space for the extended four-year old program.

The County Administrator advised the school board would like to tentatively select the afternoon of May 8, 2014 to be scheduled for a joint meeting between both Boards (i.e. quarterly).

Supervisor Campbell suggested that a project manager should've been hired to oversee the project, and that the County should've been appropriately informed before the school system selected Mr. Barrett to serve as the Clerk of the Works.

The County Administrator advised that a copy of the new contract has been attained. In closing, he suggested that any concerns pertaining to the Clerk of the Works and his contact should be discussed at the next CIP Committee meeting.

Social Services:

Chairman Lackey advised that Ms. Ward, Director of Social Services, has asked to receive a County vehicle for a client. A call was also received from Jennifer Ward of MESA to advise they also have clients in need of a vehicle and whether it would be possible for the County to assist with this need.

The County Administrator advised that once he has all the information from the Sheriff regarding surplus vehicles, he will advise with suggestions.

Supervisor Campbell suggested the County not start providing anyone with a vehicle, and suggested that Social Services purchase a vehicle. In closing, he advised he'd be in favor of auctioning the vehicles off.

The County Administrator advised the County's insurance comes due on July 1st of each year when insurance must be renewed for County vehicles.

Supervisor Jackson questioned which concept would be the best option for the County (i.e. acceptance of sealed bids or auction).

The County Administrator advised that auctions were done in the past with poor results; he'd like to put out regional ads (i.e. Craigslist) and present any potential bids to the Board for review, with the option to participate in an auction as a second alternative. The school system held an auction in the past and some of the old law enforcement vehicles were sold for about \$200.00 each. In closing, he advised that the Facilities Manager is in the process of gathering all the information on the surplus vehicles.

Supervisor Weakley advised the request was brought up as a matter for discussion and no approval was indicated. Although he stressed the importance of establishing precedence, he also feels there is the factor of responsibility involved.

Chairman Lackey asked if the Board would like to consider selling the cars at a reduced rate to MESA.

Supervisor Jackson advised the surplus vehicles usually sell very cheaply; he suggested any potential buyers provide a sealed bid.

If the County decides to accept sealed bids, it was suggested that Social Services and MESA be notified.

Health Care Policy:

Chairman Lackey advised that some County employees have inquired when the new joint healthcare policy will be in effect.

The County Administrator advised he anticipates it will be in effect immediately; however, he will need to converse with the health insurance representatives to ensure if this will be a qualifying event; if it isn't a qualifying event, the implementation date will be October 1, 2014.

Madison Early Learning Center:

The County Administrator advised a meeting was held today with County organizations and representatives from the Culpeper Regional Hospital; the representatives will go

before their governing Boards to present information on the offer presented today by non-profit organizations; the only part the County will play in the operation will be a request from the non-profit organizations for taxes to be waived (\$8,000.00 annually). A proposal is being investigated to determine future uses for the building. Also, a balloon option will be made available for the purchase of the building over time and a certain amount of funds will need to be raised in a specific amount of time in order for the actual purchase to be made.

Supervisor Campbell questioned how combining programs will help relieve some of the requests being made of the Department of Social Services.

It was suggested that a positive place that provides positive/constructive interaction may be a benefit in warding off negative issues before they arise.

The County Attorney suggested the County be careful about deferring taxes unless it's specifically granted as an exemption in the Virginia Code, as he's unsure if the County has the authority to grant an exemption for something that isn't listed in the Virginia Code. Additionally, he suggested this issue be discussed with the Treasurer and Commissioner before it's assumed the County will offer any forms of tax deferment. In closing, he stressed the need for the County to protect its tax base.

Chairman Lackey advised that it's her understanding the Culpeper Regional Hospital was granted a tax deferral when the center was first opened; however, when they leased the building to a 'for profit' agency, taxes then needed to be paid.

The County Attorney advised the Commissioner makes the final determination and suggested the County discuss this with the Commissioner of the Revenue.

Supervisor Jackson advised that many localities utilize the option of tax deferment as a means to promote business; although tax funding will be decreased, the overall benefit might be an asset to promote business. In closing, he suggested an economic study be implemented in order to provide potential businesses with a mechanism to help determine whether the service(s) they'd like to provide to the locality will last long-term.

The County Attorney advised he doesn't feel it's the County's role to look into the books of other organizations.

Chairman Lackey advised that some businesses find it an asset to have a licensed childhood facility in the community where parents work. In closing, she has offered to assist MESA with fundraisers in order to raise enough funding to get the business started.

Supervisor Campbell cautioned the Board to be aware of spending taxpayer's dollars; many decisions are made with good intentions, but sometimes the consequences are costly.

NIMS:

Chairman Lackey advised that she has been taking a class on emergency response, processes and regulations for those County personnel who would be involved in the event of an emergency situation. In closing, she advised certified personnel must be in place in order for the locality to be reimbursed by FEMA during an emergency situation.

Chairman Lackey advised the Board will meet next week to discuss budgetary issues.

6. Adjournment

With no further action being required by the Board, on motion of Supervisor Jackson, seconded by Supervisor Weakley, Chairman Lackey adjourned the meeting, with the following vote recorded:

Doris G. Lackey	Aye
R. Clay Jackson	Aye
Jonathon Weakley	Aye
Robert Campbell	Aye
Kevin McGhee	Aye

Doris G. Lackey, Chairman
Madison County Board of Supervisors

Clerk of the Board of Madison County Board Supervisors

Adopted on: May 13, 2014

Copies: Doris G. Lackey, R. Clay Jackson, Jonathon Weakley, Robert Campbell, Kevin McGhee, V. R. Shackelford, III & Constitutional Officers



Agenda

“Continued Meeting”

Madison County Board of Supervisors
Thursday, March 13, 2014: at 4:00 p.m.
Thrift Road Complex Conference Room
302 Thrift Road, Madison, Virginia 22727

Agenda

1. Call to Order
2. ***Pledge of Allegiance & Moment of Silence***
3. Determine Presence of a Quorum
4. ***Information/Correspondence***
5. Adjournment

****Additions denoted in blue with yellow highlight****

CERTIFICATE

The undersigned Clerk of the Board of Supervisors of Madison County, Virginia (the "Board"), hereby certifies that:

1. A meeting of the Board was duly called and held on March 13, 2014 (the "Meeting").

2 Attached hereto is a true, correct and complete copy of a resolution (the "Resolution") of the Board entitled "Resolution of the Board of Supervisors of Madison County, Virginia, Authorizing and Approving the Execution and Delivery of a Public Improvement Bond to Provide Financing for the Acquisition, Renovation and Financing of Certain Public Facilities, in a Maximum Principal Amount Not to Exceed \$2,500,000, and the Execution and Delivery of Certain Documents Prepared in Connection Therewith," as recorded in full in the minutes of the Meeting and duly adopted by a majority of the members of the Board present and voting during the Meeting.

3. A summary of the members of the Board present or absent at the Meeting, and the recorded vote with respect to the Resolution, is set forth below:

Member Name	Voting				
	Present	Absent	Yes	No	Abstaining
Doris G. Lackey, Chairman	<u> X </u>	<u> </u>	<u> X </u>	<u> </u>	<u> </u>
R. Clay Jackson, Vice-Chair	<u> X </u>	<u> </u>	<u> X </u>	<u> </u>	<u> </u>
Robert W. Campbell	<u> X </u>	<u> </u>	<u> X </u>	<u> </u>	<u> </u>
Kevin McGhee	<u> X </u>	<u> </u>	<u> X </u>	<u> </u>	<u> </u>
Jonathon Weakley	<u> X </u>	<u> </u>	<u> X </u>	<u> </u>	<u> </u>

4. The Resolution has not been repealed, revoked, rescinded or amended, and is in full force and effect on the date hereof.

WITNESS my signature and the seal of Madison County, Virginia, dated March 13, 2014.

Clerk of the Board of Supervisors of
Madison County, Virginia