

April 14, 2010

The Regular Meeting of the Rockingham County Board of Supervisors was held on Wednesday, April 14, 2009, at 2:00 p.m. at Turner Ashby High School, Bridgewater, Virginia. The following members were present:

PABLO CUEVAS, Election District #1
FREDERICK E. EBERLY, Election District #2
DEE E. FLOYD, Election District #3
WILLIAM B. KYGER, JR., Election District #4
MICHAEL A. BREEDEN, Election District #5

Also present:

LOWELL R. BARB, Commissioner of the Revenue
CHARLES "CHAZ" EVANS-HAYWOOD, Clerk of the Circuit Court
L. TODD GARBER, Treasurer
MAJOR C.M. HESS, Sheriff's Office

JOSEPH S. PAXTON, County Administrator
THOMAS H. MILLER, JR., County Attorney
STEPHEN G. KING, Deputy County Administrator
JAMES L. ALLMENDINGER, Director of Finance
DONALD D. DRIVER, Director of Social Services District
WENDELL J. EBERLY, Director of Recreation & Facilities
ANN MARIE FREEMAN, Director of Court Services
WARREN G. HEIDT, Director of Public Works
FRANKLIN P. O'BYRNE, Director of Information Systems
STEPHEN R. RIDDLEBARGER, Director of Human Resources
ROBERT A. SYMONS, Fire Chief
WILLIAM L. VAUGHN, Director of Community Development
GRETCHEN M. SALLAH, Deputy Clerk
DONALD F. KOMARA, Residency Administrator
Virginia Department of Transportation

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CALL TO ORDER

**INVOCATION
PLEDGE OF ALLEGIANCE.**

Chairman Cuevas called the meeting to order at 2:00 p.m.

Administrator Paxton gave the Invocation and Turner Ashby High School Student Government Senior Class President Kelsey Logan led the Pledge of Allegiance.

Chairman Cuevas thanked Turner Ashby principal Steven Walk and staff for hosting the meeting.

Supervisor Kyger introduced the Board and staff to students in attendance at the meeting.

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APPROVAL OF MINUTES.

On motion by Supervisor Eberly, seconded by Supervisor Floyd and carried by a vote of 5 to 0, voting recorded as follows: BREEDEN - AYE; CUEVAS - AYE; EBERLY - AYE; FLOYD - AYE; KYGER - AYE; the Board approved the minutes of the regular meeting of March 24, 2010.

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PRESENTATION – HARRISONBURG ROCKINGHAM SOCIAL SERVICES DISTRICT.

Donald Driver, Director for the Harrisonburg Rockingham Social Services District (HRSSD), introduced Elizabeth Hutchens, Assistant Director, who made a presentation to the Board concerning the adoption of children in foster care.

Ms. Hutchens informed the Board that according to current statistics, the HRSSD was among the top agencies in the state for adoptions, which was very unusual for an agency of their size. Children who are placed for adoption by the agency have been abused or neglected and their parents' rights have been terminated.

She further explained that adoptions can take from six months to two years and fees are not charged, although the agency may provide financial assistance for families

who adopt children with special needs. Many of the children waiting for an adoptive home are six years or older, may have older brothers or sisters also in need of adoption and may have special needs. Children with special needs may require physical or mental health services to help them function at home, school and in society.

In 2009, there were 46 children adopted from the local agency, Ms. Hutchens reported. The agency usually averages 20 per year. In contrast, in 1995 only one child was adopted.

The State pays about \$46,000 for each child in foster care, she reported. For each child adopted, not only do the children find a loving home, but local dollars are also saved.

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PRESENTATION – CITIZENS FOR ANIMAL WELFARE.

Daniel Chavez, a representative for Citizen for Animal Welfare (CAFW), made a presentation to the Board concerning the organization's support of the Shenandoah Valley Spay and Neuter Clinic's efforts to take over the City and County's animal shelter operations.

Mr. Chavez stated the organization's mission was to increase the number of adoptions, and decrease the number of animals euthanized at the local shelter, which reports one of the highest euthanasia rates in the state. The Clinic's proposal to take over the local animal shelter is not only a request for funding, but a comprehensive plan to save the lives of hundreds, if not thousands, of animals each year, he stated.

As more citizens become aware of the euthanasia rate, they will demand a solution and Citizens for Animal Welfare request the Board support this new animal shelter, Mr. Chavez said.

In response to several questions Chairman Cuevas asked, Mr. Chavez responded that he is a Harrisonburg resident, many CFAW supporters are from the City and County, and the group is a 501C3 non-profit organization. He stated CFAW was in attendance to support the Clinic's proposal.

Mr. Chavez discussed the shelter's 67% euthanasia rate and Chairman Cuevas pointed out that a Trap, Neuter and Return program which has been raised by the CFAW as a method of reducing the euthanasia rate was illegal in the State. Mr. Chavez handed out a letter from the Department of Agriculture and Consumer Services, which stated that such a program can legally function only when an

individual or organization claims ownership of the cats (or claims custodianship) and has the authority to keep cats on the premise where the colony is located.

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COUNTY ADMINISTRATOR'S STAFF REPORT.

The Board received and reviewed Administrator Paxton's staff report of April 8, 2010 including the following:

Administrator Paxton discussed the need to provide repair and preventative maintenance for the IFLOWS rain/stream gauge equipment used to monitor flood conditions in the County and recommended MapTech Incorporated from Blacksburg for the contract. The total amount of the contract is \$12,390 and hourly rates for unscheduled service and emergency response are listed in the contract.

On motion by Supervisor Breeden, seconded by Supervisor Kyger and carried by a vote of 5 to 0, voting recorded as follows: BREEDEN - AYE; CUEVAS - AYE; EBERLY - AYE; FLOYD - AYE; KYGER - AYE; the Board approved entering into a contract with MapTech Incorporated to provide repair and preventative maintenance for the IFLOWS rain/stream gauge equipment used to monitor flood conditions in the County.

Contract for Services

I. Identification of Parties Involved

Henceforth, MapTech, Incorporated of Blacksburg, VA shall be known as the Contractor. Rockingham County VA FD and the Shenandoah Soil and Water Conservation District (SWCD) shall be known as the Clients. The Rockingham County VA FD and the SWCD shall each fill the roll of System Managers. Changes in these designees shall be provided in writing to both parties.

II. Identification of Equipment Serviced

The ALERT/IFLOWS equipment installed by MapTech (September 17 – 27, 2007) at the Dry River and Hone Quarry Dam will henceforth be known as gage equipment. Currently, data from the gage equipment is received at a base station receiver whose maintenance is not covered by this contract.

III. Contractor Scope of Work

The Contractor shall furnish all labor, supervision, and test instruments to provide repairs and preventative maintenance of the gage equipment. Both routine and

non-routine services shall be required of and provided by the Contractor. The Contractor will perform routine monitoring of gage data via computer monitoring of the VAIFLOWS backbone. The Contractor will notify the System Managers of any disruption of gage communication (outage) with the Client's base station receiver. The Contractor will notify the System Managers prior to performing preventative maintenance and emergency repair.

IV. Client Scope of Work

The Clients or System Managers will provide the Contractor with access to each site (e.g. keys, combinations, or specific directions for gaining access). The Clients will provide all equipment or funds needed perform gage repairs. It is recommended that the System Managers maintain an inventory of replacement equipment to expedite the repair process. System Managers will supply the Contractor written approval for all work performed via email or fax.

V. Maintenance and Repair Schedules

The Contractor shall furnish semi-annual, preventative maintenance of gage equipment. Semi-annual maintenance includes the test and calibration of all sensors, ensuring transmission and power systems are within manufacturers specifications, and the upkeep of enclosures and immediate surrounding area. Time between maintenance trips shall be no shorter than 3 months.

The Contractor will provide emergency trouble-shooting and repairs of gage equipment in the event of an outage. Repairs will be made at the specified hourly rate. Trouble-shooting and repairs will be made according to the following schedule:

Rain Gages – Within 5 business days

Stream Gages – Within 2 business days

System Managers may request emergency repair of gages within a 24-hour period at an additional surcharge fee.

VI. System Administrative Costs

The Contractor shall be responsible to secure, at his/her own expense, all licenses, permits and insurance required to perform under this contract. The Clients will maintain all licenses, permits, land-own agreements, and insurance specific to their property and dissemination of data.

VII. Insurance

The contractor will furnish certificates of insurance to the client for the following
Workmen's Compensation Insurance General Liability Insurance Vehicle
Insurance

VIII. Contract Duration

This contract will be in effect for 2 years from date of signing with the
option to renew after such time.

IX. Payments

Billing will be performed on a quarterly basis. Billing will include 1/8 of the
total price (total by quantity) from ITEM 0001 plus any pre-approved costs
associated with equipment repair/replacement or services rendered from
ITEM 0002 or 003.

PRICING SCHEDULE – 2 YEAR

ITEM NO.	UNIT	UNIT	DESCRIPTION	PRICE	QUANTITY	AMOUNT
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Cost for items 0001 - 0003 provided for a two year period. All travel/administrative costs for items 0001 - 0003 are included in the Contractor bid price.

- 0001 Administration and Daily Gage \$ 6,195.00 2 12,390.00
Data/Communication Monitoring. Semi-Annual Gage Maintenance Visits (Qty 4 per year). Complementary troubleshooting/emergency repair visits to gage sites (Qty 2 per year).
- 0002 Non-routine/Unscheduled trouble shooting and repair visits and other services beyond Hourly Rate N/A ITEM 0001 as requested by Client shall be \$ 80.85/Hr. provided at an hourly rate. Rate is all inclusive of services and associated travel costs.
- 0003 Surcharge for emergency visits required \$ 800.00 N/A within 24 hours of notification.

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DEPUTY COUNTY ADMINISTRATOR'S STAFF REPORT.

The Board received and reviewed Deputy County Administrator King's staff report of April 8, 2010.

Mr. King reported that staff solicited and received the following three proposals for wireless telephone service:

Proposals Based on 240 Basic Phones

	Minutes Per Phone	Cost Per Phone	240 Phones Monthly Cost	Annual Cost
Shentel - Sprint/Nextel	505	\$37.20	\$8,928.00	\$107,136.00
Verizon	450	\$36.44	\$8,745.60	\$104,947.20
Ntelos	500	\$23.95	\$5,748.00	\$68,976.00

The rates listed above are for basic wireless service for 240 phones and the proposed Ntelos rate (\$23.95) was very close to the current rate (\$23.22 per phone) which was established by bid in 2007, he reported.

Some employees will continue to use smart phones and BlackBerrys which allow wireless and remote access and synchronization of e-mail, contacts, and calendars. The cost for these smart phones are \$53.94 per month.

On motion by Supervisor Breeden, seconded by Supervisor Kyger and carried by a vote of 5 to 0, voting recorded as follows: BREEDEN - AYE; CUEVAS - AYE; EBERLY - AYE; FLOYD - AYE; KYGER - AYE; the Board authorized a two-year contract with Ntelos, with up to two one-year extensions.

Mr. King also discussed with the Board a proposal from A&J Development for a modification to the roadwork on the Fieldale Loop associated with the RMH project. Staff and the Finance Committee reviewed the pricing (\$33,960) and found it reasonable. Completion of the project is a critical component of the new/modified road network in this area. Timing is critical from a safety standpoint for the opening of the new hospital in June. Late approval of state funding by VDOT coupled with favorable pricing by approving the contractor used by RMH lead staff to recommend that the purchase be considered a sole source procurement.

On motion by Supervisor Breeden, seconded by Supervisor Floyd and carried by a vote of 5 to 0, voting recorded as follows: BREEDEN - AYE; CUEVAS - AYE; EBERLY - AYE; FLOYD - AYE; KYGER - AYE; the Board authorized the contract with A&J Development to construct the road improvements to realign the intersection of Fieldale Drive and Reservoir Drive and to consider the contract as a sole source procurement due to timing and safety concerns.

Administrator Paxton informed the Board that when the land, which is currently known as Albert Long Park, was donated, it was stipulated that if the land was ever sold, the proceeds be used for recreation programs.

Chairman Cuevas asked that when another field is located for recreation purposes, the County recognize Mr. Long.

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HUMAN RESOURCES.

Mr. Riddlebarger did not have a written report, but informed the Board that U.S. Senator Harry Reid (D-Nevada) recently reintroduced federal legislation mandating collective bargaining for public safety employees. The Board and staff planned to stay informed of activity regarding this matter.

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PUBLIC WORKS DIRECTOR'S STAFF REPORT.

The Board received and reviewed Mr. Heidt's staff report dated April 14, 2010.

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COMMUNITY DEVELOPMENT DIRECTOR'S STAFF REPORT.

The Board received and reviewed Mr. Vaughn's staff report dated April 14, 2010. Mr. Vaughn informed the Board that the Planning Commission plan to visit the Mount Storm Wind Energy Project in West Virginia before scheduling a public hearing on the proposed ordinance on wind energy.

On motion by Supervisor Eberly, seconded by Supervisor Kyger and carried by a vote of 5 to 0, voting recorded as follows: BREEDEN - AYE; CUEVAS - AYE; EBERLY - AYE; FLOYD - AYE; KYGER - AYE; the Board removed from the table, REZ-123, Virginia State Free Will Baptist Church, 794 Gailcrist Drive, Harrisonburg, VA to rezone 2.411 acres from A2 (General Agricultural) to R3-C (General Residential with Conditions) on tax parcel 109A-(1)-L45. The site is located on the east side of Vine Street (City Street), and approximately 400 feet north of Longview Drive (City Street), in Election District #2.

Supervisor Eberly stated he was satisfied that all outstanding questions had been answered and the matter could be put to a vote.

On motion by Supervisor Eberly, seconded by Supervisor Kyger and carried by a vote of 5 to 0, voting recorded as follows: BREEDEN - AYE; CUEVAS - AYE; EBERLY - AYE; FLOYD - AYE; KYGER - AYE; and subject the following proffers, the Board approved REZ-123, Virginia State Free Will Baptist Church, 794 Gailcrist Drive, Harrisonburg, VA to rezone 2.411 acres from A2 (General Agricultural) to R3-C (General Residential with Conditions) on tax parcel 109A-(1)-L45. The site is located on the east side of Vine Street (City Street), and approximately 400 feet north of Longview Drive (City Street), in Election District #2.

Proffers:

- 1) Not more than a total of 24 townhouse units shall be allowed (a density of 9.95 units/acre).

- 2) A Property Owners Association (POA) shall be responsible for the maintenance of the grounds, drives, parking lots, open space and trash collection.
- 3) The rezoned land will be developed substantially as shown on the proposed rezoning plan, consisting of individual townhouse units accessed by a driveway from Vine Street. Easement for a future connection to a present paper street shall be provided with a site plan by the developer. However, if a connection is made in the future, it will not be constructed by the POA or at their expense.
- 4) All units shall be served by City public water and sewer.
- 5) TM Parcel 43-B-1 (0.06 ac.) located in the City of Harrisonburg shall be dedicated to the City of Harrisonburg.

[Site plan attached following this page]

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RECESS.

At 2:43 p.m., Chairman Cuevas recessed the meeting for Turner Ashby students to be dismissed from school.

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CALL TO ORDER.

Chairman Cuevas called the meeting back to order at 2:50 p.m.

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INFORMATION SYSTEMS.

The Board received and reviewed Mr. O'Byrne's staff report dated April 8, 2010.

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FIRE AND RESCUE.

The Board received and reviewed Chief Symon's staff report dated April 6, 2010.

Chief Symons reported Fire and Rescue assisted Rockingham Memorial Hospital personnel with a mock patient move to practice for the hospital's relocation on June 22.

Supervisor Kyger asked Chief Symons to research the use of residential sprinkler heads, fire hydrant boxes and the pressure needed for each in new construction projects.

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RECREATION AND FACILITIES DIRECTOR'S STAFF REPORT.

The Board received and reviewed Mr. Eberly's staff report dated April 9, 2010.

Mr. Eberly announced the City and County recreation departments would co-host the 6th Annual Kids Trout Fishing Day at Silver Lake on April 17.

Administrator Paxton announced Mr. Eberly would retire on June 30, 2010.

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EARTH WEEK PROCLAMATION.

Administrator Paxton introduced and read the proclamation which recognized April 18-24 as Earth Week.

On motion by Supervisor Eberly, seconded by Supervisor Kyger and carried by a vote of 5 to 0, voting recorded as follows: BREEDEN - AYE; CUEVAS - AYE; EBERLY - AYE; FLOYD - AYE; KYGER - AYE; the Board approved the proclamation recognizing Earth Week as April 18-24, 2010.

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TRANSPORTATION DEPARTMENT.

The Board heard Mr. Komara's report on the activities of the Transportation Department, including several road projects and ongoing maintenance.

Mr. Komara informed the Board he would be advertising for a joint public hearing to discuss the County's Secondary Six-Year Transportation Plan for fiscal years 2010-2011 through 2015-2016 and the Secondary System Construction Budget for fiscal year 2010-2011. All projects in the Secondary Six-Year Plan that are eligible

for federal funds will be included in the Statewide Transportation Improvement Plan (STIP) which lists how the state allocates federal transportation funds.

In response to Supervisor Floyd’s question about dust mitigation efforts on Ridgedale Road from the ongoing Port Republic Road project, Mr. Komara discussed cost, frequency and methods of dust control. In the last year, funding was diverted from dust control to other transportation needs.

The Board requested Mr. Komara prioritize transportation needs and their costs for the public hearing so the Board could determine how limited funding should be used. The Board also discussed the Revenue Sharing Program with Mr. Komara and the need to have these construction projects identified in June to be eligible for the program.

Board members asked Mr. Komara about road issues in their areas.

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COMMITTEE REPORTS.

AUTOMOBILE

The following quotes were received for a replacement cargo van for the Recreation Department:

2010 Chevrolet Express Cargo Van 2500

R.K. Chevrolet (Virginia Beach)	\$18,068.50
Joe Bowman Auto Plaza	\$19,752.76
Used 1999 Chevrolet Cargo (52,000 miles)	\$8,488
Dick Myers Chrysler Dodge Jeep	
Used 2008 Ford E250 Cargo Van (9,000 miles)	\$17,000
Harrisonburg Automall	

On motion by Supervisor Kyger, seconded by Supervisor Floyd and carried by a vote of 5 to 0, voting recorded as follows: BREEDEN - AYE; CUEVAS - AYE; EBERLY - AYE; FLOYD - AYE; KYGER - AYE; the Board approved the purchase of a 2010 Chevrolet Express Cargo Van 2500 under the State contract for \$18,069 from R.K. Chevrolet in Virginia Beach, Virginia for the Recreation Department.

FINANCE

The Board discussed several General Fund supplemental appropriations and took the following action:

On motion by Supervisor Breeden, seconded by Supervisor Eberly and carried by a vote of 5 to 0, voting recorded as follows: BREEDEN - AYE; CUEVAS - AYE; EBERLY - AYE; FLOYD - AYE; KYGER - AYE; the Board approved a supplemental appropriation of \$18,069 for the purchase of a replacement vehicle for the Recreational Department. Funding would be provided from the Contingency Fund.

Supplemental Appropriation: \$18,069

\$18,069	GL Code: 001-07104-000-8005-000	Vehicles
(\$18,069)	GL Code: 001-09110-000-5800-000	Contingency Fund

On motion by Supervisor Breeden, seconded by Supervisor Kyger and carried by a vote of 5 to 0, voting recorded as follows: BREEDEN - AYE; CUEVAS - AYE; EBERLY - AYE; FLOYD - AYE; KYGER - AYE; the Board approved a supplemental appropriation of \$6,659 for the purchase of a replacement plotter for Geographic Information Systems (GIS). Funding would be provided from the Contingency Fund.

Supplemental Appropriation: \$6,659

\$6,659	GL Code: 001-08104-000-8001-000	Machinery & Equipment
(\$6,659)	GL Code: 001-09110-000-5800-000	Contingency Fund

On motion by Supervisor Breeden, seconded by Supervisor Kyger and carried by a vote of 5 to 0, voting recorded as follows: BREEDEN - AYE; CUEVAS - AYE; EBERLY - AYE; FLOYD - AYE; KYGER - AYE; the Board approved a supplemental appropriation of \$1,884 for the replacement of an outdated laptop computer used to record Board of Supervisors' meetings and public hearings. Funding would be provided from the Contingency Fund.

Supplemental Appropriation: \$1,884

\$1,884	GL Code: 001-01201-000-6065-000	Minor Equipment
(\$1,884)	GL Code: 001-09110-000-5800-000	Contingency Funds

On motion by Supervisor Breeden, seconded by Supervisor Kyger and carried by a vote of 5 to 0, voting recorded as follows: BREEDEN - AYE; CUEVAS - AYE; EBERLY - AYE; FLOYD - AYE; KYGER - AYE; the Board approved a supplemental appropriation of \$1,520 for the purchase of four Microsoft Office licenses for laptops assigned to building inspectors in the field. Funding would be provided from the Contingency Fund.

Supplemental Appropriation: \$1,520

\$1,520	GL Code: 001-03400-000-6014-000	Other Operating Supplies
(\$1,520)	GL Code: 001-09110-000-5800-000	Contingency Fund

On motion by Supervisor Breeden, seconded by Supervisor Eberly and carried by a vote of 5 to 0, voting recorded as follows: BREEDEN - AYE; CUEVAS - AYE; EBERLY - AYE; FLOYD - AYE; KYGER - AYE; the Board approved a supplemental appropriation of \$33,960 for the modification of roadwork leading to the new Rockingham Memorial Hospital by A&J Development and Excavation. Funding would be provided from the General Fund Reserve.

Supplemental Appropriation: \$33,960

\$33,960	GL Code: 001-08102-000-3109-000	Other Professional Services
\$33,960	GL Code: 001-05201-0100	General Fund Reserve

PUBLIC WORKS

On motion by Supervisor Breeden, seconded by Supervisor Kyger and carried by a vote of 5 to 0, voting recorded as follows: BREEDEN - AYE; CUEVAS - AYE; EBERLY - AYE; FLOYD - AYE; KYGER - AYE; the Board authorized the County Administrator and Director of Public Works to contract with D.P. Chapman & Sons for paving of the container site and recycling area at the landfill at a contract price of \$38,400.

The results of the bid were as follows:

Qualified Paving Bidder	Price Quoted
D.P. Chapman & Sons	\$38,400
Ran Mar Incorporated	\$52,185
Partners Excavating Company	\$72,177

VACO

Supervisor Kyger planned to discuss the mandatory collective bargaining for public safety employees with VACo officials. A Board of Directors meeting will be held May 1, Supervisor Kyger and Chairman Cuevas will attend.

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CLOSED MEETING.

On motion by Supervisor Kyger, seconded by Supervisor Eberly and carried by a vote of 5 to 0, voting recorded as follows: BREEDEN - AYE; CUEVAS - AYE; EBERLY - AYE; FLOYD - AYE; KYGER - AYE; the Board recessed the meeting from 3:37 p.m. to 4:25 p.m., for a closed meeting pursuant to Section 2.2-3711.A(5), Discussion concerning a prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities in the community; (7), Consultation with legal counsel and staff members pertaining to actual or probable litigation where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the County; and consultation with legal counsel regarding specific legal matters requiring the provision of legal advice by such counsel.

MOTION: SUPERVISOR BREEDEN RESOLUTION NO: 10-06
 SECOND: SUPERVISOR KYGER MEETING DATE: APRIL 14, 2010

CERTIFICATION OF CLOSED MEETING

WHEREAS, the Rockingham County Board of Supervisors has convened a Closed 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 2.2-3712 of the Code of Virginia requires a certification by this Board of Supervisors that such Closed Meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED that the Rockingham County Board of Supervisors hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the Closed Meeting to which this certification resolution applies; and (ii) only such public business matters as were identified in the motion convening the Closed Meeting were heard, discussed or considered by the Board of Supervisors.

VOTE:

AYES: BREEDEN, CUEVAS, EBERLY, FLOYD, KYGER

NAYS: NONE

ABSENT: NONE

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RECESS FOR DINNER.

By unanimous consent, the meeting was recessed from 4:25 p.m. to 6:00 p.m. for dinner.

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PUBLIC HEARING – PROPOSED BUDGET FOR THE FISCAL YEAR COMMENCING JULY 1, 2010.

At 6:00 p.m., Chairman Cuevas declared the meeting open for a public hearing pursuant to Section 15.2-2506, Code of Virginia, 1950, as amended, on the Proposed Budget for the Fiscal Year Commencing July 1, 2010.

Administrator Paxton gave the following presentation on the proposed FY2010-2011 budget.

This is the second consecutive year of budget shortfalls. This year the state faced more than a \$4 billion shortfall in the biennium budget. On the first day of the General Assembly, a key component of former Governor Kaine's budget was eliminated by the House of Delegates, which resulted in uncertainty and difficulty at the local level for budget planning. The State continues to rely on one-time funds to meet the budget, using stimulus funds to offset revenue shortfalls in the current year. The use of stimulus funds provided stability in the current year for shared local services but delayed difficult decisions that have to be made this year.

The State "borrowed" from the Virginia Retirement System (VRS) to meet continuing shortfalls, and a significant amount of those borrowed funds were used to offset K-12 education funding cuts.

The County and School Division have been advised to expect \$8.1 million less in state funds for the coming fiscal year. The County's share is \$1.3 million with the largest amount of the shortfall (\$923,000) coming from the state's share of operating the constitutional offices (Sheriff, Commonwealth's Attorney, Treasurer and Commissioner of the Revenue). The School Division faced a \$6.8 million shortfall that was offset, in part, by the reduced contributions to the VRS (\$2.9 million).

Local revenue challenges continue as several businesses closed or left the County. The local portion of State sales tax is down 13 percent compared to the current year's budget or about \$600,000. Development-related fees are down about 50 percent from 2008. Investment income from the County's cash flow was \$670,000 in 2008, and is currently estimated at \$40,000 for next fiscal year.

Administrator Paxton discussed actions taken during the current budget year that will continue in the coming fiscal year including limiting professional development, reducing operating expenses through energy conservation and limiting the replacement of vehicles. He reported that the County offices saved \$82,000 by setting thermostats back and conserving electricity and School Board offices saved thousands of dollars as well. In addition no vehicles were replaced this past year.

In the proposed budget, the County will need to address critical capital maintenance items, set aside funds for future capital projects, but has also cut \$1.7 million from General Fund operations. Transition funding (\$800,000) for SRI International is included but will be repaid from lease payments.

The School Division is recommended to receive level funding for existing school operations and \$2.5 million is added to offset costs to open East Rockingham High School (\$45 million total). In addition, there is \$610,000 included for the County to meet the requirement for increased debt service for bonds issued to finance the three new schools on the east side. The School Division has also taken steps to contain costs by reducing professional development and training division-wide, reducing instruction costs by almost \$700,000 by cutting such items as technology supplies, band instrument repairs, and after school programs. The Division also projects saving \$340,000 in transportation costs by reducing the mileage for bus and car trips.

The workforce for County and School operations has been reduced by 157 positions, or a six percent reduction, over a two-year period. Seventy-six were eliminated in FY 2009-2010 and 81 will be eliminated in the FY 2010-2011 proposed budget. The 81 positions include 65 school positions eliminated through attrition, six County positions eliminated due to lack of state funding, one County position eliminated due to lack of federal funding, and three County-funded and six state-funded positions will be eliminated through attrition. Vacancies will continue to only be filled in critical service areas.

In other personnel actions, County and School employees have not received a pay increase since July 2008 and have received less net pay in each of the last two years due to higher health insurance premiums.

The Virginia Retirement System (VRS) provides an enhanced benefit for law enforcement, fire and rescue and corrections officers called the Law Enforcement Officers Supplement (LEOS). Under this benefit, officers can retire at age 50 with 25 years of hazardous duty and receive a supplement to their normal retirement until age 65. Prior to FY 2010-2011, the VRS rate paid by the County on employee salaries was blended so that the County had one rate for all covered positions; beginning July 1, the County will pay separate rates for LEOS and Non-LEOS positions. The rate for LEOS-eligible employees will be 19.79 percent of payroll and for non-LEOS 11.55 percent. In the current year, the blended rate is 13.67 percent.

The changes recommended will bring the FY 2010-2011 budget into balance, however, the County will still use about \$1.7 million in General Fund Reserve and \$1.2 million in school one-time revenues from federal stimulus to balance the budget. The plan, beginning last year, is to lessen the dependence on fund reserves each year for a three-year recovery, as other revenues rebound with the economy. Administrator Paxton noted a concern that the FY 2011-2012 state budget projects six percent revenue growth, which may be aggressive.

Fee increases for recreation and fire inspection programs are proposed to offset operational costs. No monthly rate increases are proposed for water or sewer services; however, when bonds are issued to pay for the construction of a new water line with the City to increase water capacity, an increase in rates will be required. There is no change in property tax rates recommended, but the budget is balanced using the same real estate rate which after the county-wide reassessment will increase levies by an estimated 1.7 percent. This will require a public hearing prior to adoption. The hearing will be held on May 5, 2010 at 6:00 p.m. at the Administration Center. If approved by the Board, this increase will result in the typical residential homeowner realizing an increase in real estate taxes of about \$30 per year.

Other local revenue changes include billing for emergency medical service transport services effective January 1, 2010. This fee is expected to generate \$1.5 million per year to help offset the rising emergency medical response costs. A portion of the fees will be paid to volunteer emergency response agencies. In addition, the food and beverage tax was approved in November 2009 and enacted by the Board of Supervisors February 1, 2010. All funds collected from the food and beverage tax will go toward offsetting the cost of schools. The tax is expected to generate approximately \$600,000 per year. The County is also considering options to offset a projected deficit at the landfill.

This has been a difficult, challenging and trying 18 to 24 months in the County as it has been in much of the United States, Administrator Paxton stated. The County and School have worked closely together to provide critical services for our community with the strained resources that are available. He thanked the County and School employees for recognizing the challenges faced by budget constraints and pulling together to meet the needs of our community.

The Board believes that the proposed budget protects critical services, meets important needs, establishes a firm base for the future, and positions the County to move forward as the economy rebounds.

Chairman Cuevas recognized Clerk of the Court Charles Evans-Haywood, Commissioner of the Revenue Lowell R. Barb, Treasurer L. Todd Garber, Major C.M. Hess, Chief Deputy Sheriff, School Superintendent Dr. Carol S. Fenn, School Board Chairman William Gamble, and School Board members John Myers and Gayle Brunk.

At 6:38 p.m., Chairman Cuevas opened the meeting for a public hearing.

Lois Jones, Library Director of the Massanutten Regional Library, informed the Board that the library system is visited more than 400,000 times per year. During difficult economic times, the number of visitors rises and demands increase. People who have lost their jobs do not purchase new books and circulation rates increase. At the library downtown, it is not unusual to have 1,000 visitors a day and at a time when staffing and hours are reduced. Patrons come to use the computers and staff is assisting many people with setting up email accounts and applying for jobs online. Sometimes patrons do not even know what a computer mouse is, she said.

Libraries are frugal places by nature, she said. Staff submitted a flat budget to the County, cut hours, took the bookmobile off the road, and not replaced staff. While costs have gone up, staff has not received pay raises. Staff turned snow days into furlough days and determined that for every \$1 spent, we returned over \$5 in services.

The library is a solid and consistent institution that depends on funding from the State as well as the City and County that it serves, she said. Staff is always seeking grants and donations from private citizens and organizations. In a recent listing, the Massanutten Regional Library is 80th out of 91 public libraries in the State for monetary support of the library.

When people move to a new area, they are concerned with the job market, the schools and the public library system, she said. People value the library and she urged the Board to value it as well.

Janet Wendelken, Executive Director of Rockingham Educational Foundation, Inc. and Director of Instructional Programs for the County schools, spoke in support of

Big Brothers Big Sisters. She informed the Board that the schools are partnering with the organization to submit a federal grant to mentor and support high-risk middle school students. The grant is worth up to \$5 million over a three-to five-year period. The partnership also includes the City and James Madison University.

Diego Avila, a native of Honduras, spoke in support of Big Brothers Big Sisters. He said his mentor or “big” was like a father to him and they had been paired together for three years. They get together several times a week.

Gary Turner, a “big” to Diego, spoke in favor of Big Brothers Big Sisters. Calling Diego a special kid from a wonderful family, Mr. Turner said that investing in the big brother relationship can accomplish many things and make a difference by working together. Understanding that budgets are tight, this program truly works, he said.

Todd Gardner, President of Glass & Metals and Board member of Big Brothers Big Sisters, has been a big brother for seven years to Oscar, now a 17-year-old. He spoke in favor of supporting the program for youth, who are the workforce of our future and who through programs such as Big Brothers Big Sisters help children to be engaged in the community, form strong family relationships and attain higher education. He urged the Board to consider funding BBBS and their efforts in the community.

Harry Reif, Board Chairman of Big Brothers Big Sisters, business owner and James Madison University faculty member, stated the program was a wise return on the County’s investment. Spend \$1,000 on this program or the alternative is spend \$88,000 to keep a youth incarcerated, he stated. The local agency has been rated among the highest programs and is a model for other locales and agencies and while they apply for grants, they need local funding as well. Approximately 30 supporters of Big Brothers Big Sisters were in attendance.

Chairman Cuevas requested Mrs. Wendelken provide additional information to Administrator Paxton on the federal grant the partnership is seeking.

Johnnie Kibler, a resident living east of Elkton, spoke in favor of funding the operation of the new East Rockingham High School. He thanked the Board for planning for the future and building the new school and told them the community is very excited and feels a sense of pride and ownership. He asked that the new school have the same programs and opportunities as the other County schools so access to learning is equal.

B.J. Merica, a parent and School employee, spoke in favor of continuing to support the school budget and said she felt the Board would do what was best for the children.

Terry Shifflett, president of the Parent Teacher Association (PTA) at Elkton Elementary School, and mother of future East Rockingham High School Eagles, spoke in support of the school budget and opening the new high school. She said the new school will provide a safer learning environment, provide needed space and establish strong community relationships.

Therese Warner, who works at McGaheysville Elementary School, thanked the Board for supporting the School budget and the preschool initiative program that assists at-risk students.

John Humes, Fire Chief of Bridgewater Fire Department, thanked the Board for their recent action to support the station's operations 24 hours a day by providing additional County-funded fire and rescue personnel

School Board Chairman William Gamble thanked the Board for its support and stated their working relationship is the envy of many locales and shows how much can be accomplished by working together.

Superintendent Fenn stated that the School Board has submitted a budget that requires \$2.5 million over last year's budget, but that additional cost is for operating expenses related to the opening of East Rockingham High School in the coming year. She reminded the Board that the County has opened three new schools, three years in a row during this economic downturn. She stated 65 positions will be lost to attrition in the coming year, but there were no layoffs. The schools have made major cuts, lost programs, and increased class sizes. Employees have made less money and paid higher insurance rates in each of the past two years.

Dr. Fenn stated the County schools have become more efficient and more effective thanks to the hard work of staff in making challenging and difficult cuts.

The Board thanked the School Board and constitutional officers for providing the best services for our citizens and Director of Finance Allmendinger for looking for the priorities in limited dollars. Chairman Cuevas additionally said the meals tax and the emergency medical service billing will provide needed revenue to assist the schools and the volunteers who ensure public safety and emergency response. The Board thanked staff for their commitment to quality service in spite of hard times.

Chairman Cuevas stated the final approval for the budget will take place at the May 5 meeting.

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At 7:30 p.m., Chairman Cuevas adjourned the meeting.

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Chairman