

A WORK SESSION OF THE NEW KENT COUNTY BOARD OF SUPERVISORS WAS HELD ON THE 28th DAY OF FEBRUARY IN THE YEAR TWO THOUSAND FIVE OF OUR LORD IN THE BOARDROOM OF THE COUNTY ADMINISTRATION BUILDING AT 5:30 P.M.

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IN RE: ROLL CALL

Mark E. Hill	Present
D. M. "Marty" Sparks	Present
James H. Burrell	Present
Stran L Trout	Present
W. R. "Ray" Davis, Jr.	Present

Chairman Davis called the meeting to order.

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IN RE: FARMS OF NEW KENT

Planning Manager Rodney Hathaway reported that Farms of New Kent (FONK) filed their re-zoning application in July of 2004. Since then, staff has met numerous times with the applicant. The Planning Commission has conducted two work sessions and two Public Hearings, the last one being on January 18 in the high school auditorium, and has received comments from the public. Tonight he will review the application and the proffers, and field questions from the Board members.

He stated that it was important that the Board have the information it needs to consider the application. If there is anything that is missing, he asked that they let him know so that he can attempt to obtain it for them.

FONK is asking to rezone nearly 2,519.6 acres from A-1, R-1 and M-2 to Planned Unit Development, and to amend the Comp Plan Future Land Use Map. They propose to include 300 estate lots for single family detached homes; 650 non-age restricted housing units; 1,450 age-restricted housing units (at least one occupant must be 55 and no one under 18); a village center with approximately 150,000 square feet of commercial space; 108 acres reserved for commercial and retail uses; a winery; a country inn & spa; 100 resort cottages; 18-hole championship golf course; clubhouses in Land Bays I, IV and V (which may include swimming pools); an equestrian center; a high-goal polo field; and a bed and breakfast establishment.

He reported that at the Planning Commission's Public Hearing, 35 citizens spoke: 19 in favor, 14 opposed and 2 undecided. The Planning Commission voted 10:0:1 to submit the application to the Board of Supervisors with an unfavorable recommendation.

Mr. Hathaway reviewed the latest proffers dated February 14, 2005. He stated that Part 1 contained the standard legal language of proffers and Part 2 set forth the general development plan. Section 3 deals with the development phasing schedule, and sets forth that construction of no less than 50,000 square feet of commercial space shall be commenced prior to the issuance of the building permit for the 501<sup>st</sup> residential unit; no less than 100,000 square feet prior to the issuance of the permit for the 951<sup>st</sup> dwelling unit; and no less than 150,000 square feet prior to the issuance of the permit for the 1,751<sup>st</sup> residential unit. He pointed out that only 150,000

square feet of commercial space has been guaranteed in the proffers although the project calls for a maximum of one million square feet. The number of non-age restricted dwelling units to be permitted each year has been limited to 125, and the number of age-restricted to 150 per year, for a total of 275 per year. He indicated that the current PUD ordinance allows only 145 units per year – at that rate, it would take 18 years for build-out of FONK. With the rate provided in the proffers, build out would only take 10 years. Mr. Hathaway indicated that staff is concerned with 275 permits being issued each year – last year 250 permits were issued for the whole County. 275 from just this developer would overwhelm current staff.

Section 4 of the proffers deals with impact mitigation. They are offering to pay \$4,500 to the County for each non-age restricted dwelling unit and \$1,500 for each age-restricted unit, as well as \$0.30 per square foot for commercial and retail space. They are offering to dedicate a five-acre site and construct a new fire/rescue/police (two rooms and four vehicle bays) in three phases: within two years, a 3,000 square foot building containing offices and two vehicle bays; within six years, purchase of a fire truck; and within ten years, the remainder of the station, according to approved plans.

Section 5 of the proffers is standard, dealing with homeowner associations, which will be reviewed by staff and the County Attorney.

Section 6 deals with transportation and road improvements. The applicant is proposing to reconfigure Route 106 into a four lane divided parkway from the I-64 interchange to Route 249; to reconfigure Route 609 (north of Route 249) into a three lane road from Route 249 to the entrance to the first land bay; and installation of roundabouts at primary entrances to Land Bays IV and V, and at Route 106 and Route 249. This road work is proposed to be done in two phases. In Phase I, Route 106 would be widened from I-64 to Pine Fork Road, and Route 609 would be widened from its intersection with 249 to the principal entrance to Land Bays IV and V. In Phase II, Route 106 would be widened from Pine Fork Road to the Route 249 intersection. Improvements are also proposed for Route 249, east and west of its intersection with Route 106.

Mr. Hathaway reported that staff has concerns with the proposal to split the work on Route 106 into two phases, and would prefer that the work be done all at one time.

Section 7 deals with water and sewer, and calls for all new units to be on public water and sewer with the exception of units in Land Bay I which may be on well and septic. However, sewer and water connection and available fees will be paid on all lots. The applicant will construct all sewer and water infrastructure, which will be dedicated to the County. He indicated that the Public Works Director has requested that the two proposed water towers be designed and constructed by the County and paid for by the developer. That is a change that would have to take place in the Development Agreement.

Section 8 proffers a 300 foot setback from any structure listed on the National or State Registers of Historic Places.

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Section 11 provides for the dedication of 15 – 20 acres to the County for use as a public park. The applicant has spoken with Parks & Recreation and offered \$100,000 towards County parks; however, this offer is not yet included in either the Development Agreement or the proffer statement.

Section 12 deals with adjustments of proffer contributions, wherein after 24 months cash proffers are to be adjusted in accordance with the Consumer Price Index, which is a standard provision.

Mr. Trout asked about the provisions in Section 2.2, and whether it would be 600 units in Land Bays 1, 2, 4 & 5 or Land Bays 1, 3, 4 & 5. The applicant was on hand and advised that it was in Land Bays 1, 3, 4 & 5. Furthermore it was clarified that it would be 600 units total, not in each bay.

Mr. Sparks asked what additional staff would be needed if this application were approved. Mr. Hathaway reported that the County's 2 current inspectors had a full work load with the 250 permits that were issued in 2004. With the increase from the two new sections in Kentland that are starting up, and with Patriots Landing, the work load will be way above the capacity of the current staff, even without FONK. He indicated that his department has requested three new inspector positions in the new budget which should be able to handle the load. When pressed, he indicated that he thought two of the additional inspectors would be needed for FONK. As far as other needs, he indicated they would probably need extra help for plans review and will also need an Erosion & Sediment Inspector to make sure that the sediment control measures are in place. The State now requires inspections after every major rain event.

Mr. Trout asked if the applicant's offer to pay \$50,000 per year for two years to hire an employee shouldn't be in the proffers instead. Mr. Hathaway stated that their request for two inspectors at \$100,000 was based upon 145 building permits being issued per year. With the request for 275 permits per year, the County could end up needing 1 – 2 more inspectors.

Pete Johns spoke on behalf of the applicant. He stated that their development team has spent more than a year revising their development plans which he believes has resulted in a better project with fewer homes on smaller acreage. The development will be buffered from the highway to promote privacy. Their proffers have a value of \$11.5 million, and the project will generate revenues for the County.

He reported that Land Bay I will include a golf course, winery, vineyards, spa, 100 resort cottages, walking trails and estate homes. Land Bay II will contain more vineyards and a polo field. Land Bay III will have a village center with retail and commercial space, 200 village residential units, and a farmers market. Land Bay IV will have 450 upscale single family homes, clubhouse, pool, walking trails, and screening for privacy. Land Bay V will have 1,450 age restricted units, and will be the largest residential land bay, and will not impact the schools. The proposed commercial space is twice of that previously proposed, and they guarantee a minimum of 150,000 square feet. They have agreed to limit construction of the residential units each year to help control the impact upon County services but still allow the developer to respond to market demand.

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Mr. Johns reviewed the cash proffers previously explained by Mr. Hathaway, indicating that they total \$7.3 million.

Regarding affordable housing, they proposed to construct no less than 40 new units, at a rate of five per year, as well as contribute \$200 per unit to the County to create new programs to renovate existing homes throughout the County.

Mr. Johns contended that the project will retain the rural nature of New Kent and help to pay for the debt service for the proposed capital projects in the County. He described the development team and their success in other areas. He reported that FONK will be \$1.2 billion investment in the County.

He introduced Dr. Mark Fagan, a professor at Jacksonville State University and noted author, consultant and expert in retirement communities.

Dr. Fagan stated that for communities that do not have the infrastructure to attract industry, tourism and retirement communities often provide needed revenue. He reported that retirement households, on an average, have \$370,000 in assets; \$41,000 in annual income; spends 85% of its income locally; pays more in taxes than it costs in services; and those age 50+ control  $\frac{3}{4}$  of the financial assets while only comprising  $\frac{1}{4}$  of the population. People are living longer and remaining active longer. He suggests that localities consider retirees as permanent tourists. He stated that retirees often visit a place 2 – 3 times before retiring there, and then tell their friends, who visit and often relocate, creating a stream. The market then creates services and facilities to serve the retirees. He stated that in 2000, 2.1 million Floridians age 50+ volunteered 7.5 million person days a year and donated \$3.6 billion to charity. In North Carolina, 77% of retirees volunteered an average of 74 hours per week and 55% were in leadership positions in community organizations. A study by the ARC reflected that in North Carolina, 42% of retirees had opportunities to vote for school funding issues and 82% voted in favor. Research shows that “in-migrant” retirees don’t mind supporting schools as long as they know where the money is being spent.

Dr. Fagan stated that localities incur costs in attracting businesses and industries, and often the industries end up leaving. Retirees don’t leave all at one time, and often have three separate sources of income: Social Security, private pensions and private investments. He stated that one retiree household creates 2.75 jobs.

Mr. Trout asked Dr. Fagan about his work in any local areas. Dr. Fagan stated that 7 years ago, he was hired by the State of West Virginia to do a feasibility study on marketing to retirees. He has also done some work with the Virginia Tobacco Commission in Southside and southwest Virginia, localities who suffered from the demise of the tobacco and textile industries. He indicated that much of his work is done with local and state chambers of commerce.

Mr. Trout explained his concerns that an age restricted community could lose that designation and later be converted into family units, especially where grandparents might assume the care of grandchildren. Dr. Fagan stated that he has never seen that happen, and what seems to occur is that most retirees move into these

developments by age 65 and are healthy, wealthy and well-educated. Once they become dependent or develop health problems, they often return to areas near their families and new retirees will take their place. Frequently there will be nearby development of attended- or assisted-living facilities as well. Restrictive covenants prevent anyone under the age of 18 from living in the development. The representative from Hovnavian stated that he knows of no instance where a community has been converted.

Mr. Trout asked about increase in EMS calls. Professor Fagan stated that New Kent seems to have everything it needs for a tourism and retirement community as far as access to medical facilities. Retirees in these communities don't need to be right next door to medical facilities, and have the means to pay for EMS services. There should be no significant increase in EMS calls and actually less fire calls. Retirees are great contributors, in both time and money, to volunteer fire departments.

Mr. Hill inquired about the rate of commercial development. Professor Fagan stated that he feels the demand for lodging and restaurants will increase with the construction of the winery and golf course. David Peter, of Republic Properties stated that they will be marketing to retail and office users. Pete Johns stated that they are committed to work with the economic development staff and the County to aggressively market their commercial space. He stated that he has already had interested callers, even without approval.

Mr. Burrell asked how they can guarantee commercial space, and commented that the same thing was promised in Kentland and all that has been built is a Dairy Queen. Mr. Johns stated that there was never a guarantee from Kentland and spoke of a lawsuit that held up development. Only 126 homes have been built in Brickshire to date, which number clearly doesn't support much more than a Dairy Queen. Mr. Johns stated that they will build the space, whether it is leased or not.

In conclusion, Professor Fagan stated that it is obvious that economic development has not kept pace with residential development in New Kent, and that the County needs more revenue to maintain its level of service. He stated that these active retirees are good citizens and will enhance the quality of life in the County.

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IN RE: SCHOOL CONSTRUCTION

Chairman Davis reviewed the rules for Public Comment. He announced that the School Board would briefly outline their request and then Ted Cole of Davenport & Company would review financing scenarios.

Mr. Burrell commented on freedom, effective government, and the importance of elected officials acting in the best interest of the people. He then moved that the New Kent County Board of Supervisors put to referendum the construction of a new high school or any school and let the citizens be heard. He stated that he would then support whatever the majority of the voters wanted.

Mr. Trout stated that the County has had two referenda on school construction and the decision that needs to be made tonight, and why so many are hear to speak, is whether the County is in a position to move ahead with the construction of a new high

school. He stated that it was premature to make a decision before hearing from those who were present to comment.

Mr. Burrell disagreed, stating that the majority of the people who had contacted him were against building a new school. He went on to say that the results of past referenda were more representative of what the majority wants than those who are present to speak tonight. He stated that the Board should not impose its will on the citizens. He stated that he has served as a PTO president in the past, as well as on the School Board. He has a daughter in New Kent schools and only wants the best for all of the students. He has concerns that if the County builds a new school, it won't be able to pay top quality teachers, bus drivers and other staff, or purchase new equipment. It is his opinion that the County should put its money into expansion of the existing high school and middle school, as well as the purchase of modular units. He indicated that the amount of the architect's fee would pay for the purchase of many modular units. He urged the Board to make sure it can afford to build a new school before it makes that commitment.

Mr. Hill indicated that the previous Board had approved, without referendum, spending \$9 million to renovate the elementary and primary schools, as well as other major expenditures.

Mr. Sparks stated that he would like for the citizens to have an opportunity to speak, and thinks the Board needs to hear from them before taking any vote.

Mr. Burrell stated that people didn't complain about the \$9.4 million expenditure on school renovations because they knew it was needed. They are complaining about spending \$39 million to build a new school and convert the existing high school. He does not think \$9 million compares to \$39 million.

Mr. Trout moved to table Mr. Burrell's motion until it is taken off the table.

Mr. Burrell stated that this was an attempt to "defraud democracy". Mr. Trout reminded that if Mr. Burrell's motion fails, it cannot be brought up again tonight. Mr. Burrell stated that this will let the people see if the Board members are acting in the citizens' best interest or their own, and wanted his motion to stand. Mr. Trout stated that if the rest of the Board members want to vote now, then he'll withdraw his motion to table.

Mr. Burrell stated that this is the public's money and they have "a right to know". He asked that the Board give the public two weeks' notice that it is going to be voting on the issue.

Mr. Sparks reminded that there was a motion on the floor.

Mr. Davis moved to amend Mr. Burrell's motion to vote after the Board hears what the people have to say tonight. Mr. Trout stated that was the same as his motion.

Mr. Burrell stated that he will not challenge this any further, and will listen to the public, although he did not think that the people here to speak tonight are a good

representation of the citizens, who voted overwhelmingly against the previous school bond referenda.

Mr. Trout stated that he has the active motion on the floor, which he withdrew and then moved to postpone consideration of Mr. Burrell's motion until after the public comment period.

The members were polled on Mr. Trout's motion:

Mark E. Hill	Aye
D. M. "Marty" Sparks	Aye
James H. Burrell	Abstain
Stran L. Trout	Aye
W. R. "Ray" Davis, Jr.	Aye

The motion passed.

Van McPherson, School Board Chairman, representative from District 1, stated that he would attempt to provide information and clear up misleading data that is circulating in the community. He stated that the school system has a real problem with overcrowding. The problem with the primary school is being resolved with some renovations, and those at the elementary school are being reviewed. The problem at the middle school he described as severe, and that the high school is "secondary". He reminded that the middle school houses 6<sup>th</sup>, 7<sup>th</sup> and 8<sup>th</sup> grades. The Board paid an architectural firm \$40,000 to perform a study of the middle school to see if renovations would be feasible. That firm determined that the cost to renovate the existing school to house 750 students would be about \$17 million. The renovations would take about two years during which time it would be necessary to relocate students into trailers. However, within 2 – 3 years after renovations are complete, the school would be at capacity, and the facility cannot be expanded to serve a larger student body. He reminded that the \$17 million estimate was made in 2004, and there have been increases in the costs of building materials since that time.

He stated that the School Board had looked into building a new middle school, which would cost more than renovating the existing school and would not address the overcrowding at the high school.

He indicated that the problems at the high school are in the core areas. New classrooms can be added using trailers; however that would not solve the problems with the gym, auditorium, hallways, lockers and cafeteria. Expansion at the rear of the facility would take up needed parking spaces. There are three lunch periods now and often students only have 5 minutes to eat and no place to sit down.

Mr. McPherson stated that the current recommendation was a cost savings decision. If the County renovates the existing middle school, it will have to build a new one in 3 – 4 years anyway. Building a new high school and renovating the existing high school into a middle school is the least costly of all of the options. This would provide space for growth at the middle school for several years. Middle school students don't drive to school and there would be room to bring in more trailers when they are needed. The students themselves are smaller and there are only 3 grades rather

than 4. The County would also have the option of moving the entire 8<sup>th</sup> grade to the high school. The School Board believes that this approach gives the County a number of options on handling growth in the future. This will also give the County the option of using all or part of the existing middle school for other uses. The athletic facilities can continue to be used by the schools or County, and the newer classrooms can be used for adult education and other programs, or offices. It is estimated to cost \$1.1 million to renovate the existing high school into a middle school, \$600,000 of which is for a new roof that will be required whether or not the school is converted. The rest of the cost is to address safety issues for younger children, including raising railing heights, etc.

Mr. McPherson stated that this issue has been an item of discussion between the School Board and Board of Supervisors since the late 1990s. This has not been a haphazard or sudden decision. The voters have elected the School Board and the Board of Supervisors to make these kinds of decisions, and the School Board is now specifically requesting that the Board of Supervisors fund construction of a new high school for New Kent County.

Mr. Burrell initiated a discussion on capacity and parking. Mr. McPherson repeated that this option was the least expensive for the County. Mr. Burrell stated that it was easy for the School Board to make their request because they are not responsible for any tax increase that may result.

Ted Cole of Davenport & Associates reviewed financing scenarios with the Board. He indicated that these scenarios are based upon the following assumptions: that the account for primary school debt service is already in place; financing of the elementary school improvements (\$10,000) would take place in late FY05; financing of the high school project (\$38 million) would take place in late FY06; there would be Literary Loan financing of up to \$7.5 million per property amortized over 20 years at 4% on a principal level basis for all school projects; the balance of funding required for each project would be amortized over 25 years at 5.5% on a level debt service basis; the value of a penny of real estate tax in FY05 is \$133,000 and will grow at 5% per year; and there are other revenue sources available for debt service.

Mr. Cole then proceeded to review the various scenarios. By maintaining the same level of debt service, using 100% of the projected revenue from the off-track betting parlors that will be coming on line, using \$230,000 of the projected revenue from the meals tax, and continuing the dedication of 6¢ of the real estate tax rate to school construction, borrowing for the renovations to the primary and elementary schools would have no impact on the real estate tax rate. Adding in the high school project would have a 10.5¢ impact on the tax rate (in 2009 and 2010). Eliminating the revenues from the OTBs and the meal tax would result in a 14.1¢ impact on the tax rate, again in 2009 and 2010. He did add that the impact could be lessened if the County increased the real estate rates earlier than 2009.

Mr. Burrell questioned how Mr. Cole had determined how much of the meals tax revenue would be used for schools. Mr. Ellyson stated that he had given him that information for scenario purposes.

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Mr. Hill thanked Mr. Cole for his presentation, stating that it was a much better representation than that which was contained in an ad in the local paper.

Mr. Trout confirmed that with the worse case scenario, using no meals tax revenue and no OTB revenues, the tax impact would be 14.1¢, and 10.5¢ with those revenues. Mr. Cole replied that their calculations were based on very conservative numbers.

Mr. Trout asked about the interest rate on the current high school loan. Mr. Davenport explained that the VPSA dictates how and when their loans can be refinanced, and that it is a fixed and not a floating rate.

Mr. Trout pointed out that if Farms of New Kent's zoning application is approved, and they build 275 homes a year that are valued at \$300,000 each, at the current real estate rate of \$0.76, that would result in \$627,000 in new revenue for one year.

Mr. Sparks suggested that in the future, the County look at loading up the revenue stream on the front end. Mr. Cole agreed, and also suggested that the County look at affordability from a tax perspective. In any event, Mr. Cole stated that if the Board decided to move forward, he can further refine his analysis.

Mr. Sparks thanked Mr. Cole for a good job on his report.

Mr. Burrell asked Mr. Cole if he had taken into account the growth in the County's operating budget. Mr. Cole stated that this analysis was based solely on the three school capital projects, and not the operating budget. Mr. Burrell responded that he thinks that this is misleading to the public because the cost of government keeps increasing and will also impact the tax rate.

Chairman Davis thanked Mr. Cole for his report and opened Public Comment.

Interim County Administrator Richard Ellyson read a letter from Cindy Files, who expressed her support of the plan to build a new high school and also urged approval of the Farms of New Kent application.

Sheila Morris stated that a public school system is the strength of a community. She mentioned conditions at the middle school, including severe overcrowding, flooding and sewage backups, falling ceilings, defective heating and lack of technology. She stated that quality education comes at a price and, as elected officials, it was the Board's "responsibility to provide the best". She cited the recent tax increases which did not provide any new school construction. She stated that quality public schools attract good development and she feels that the existing middle school is "past the breaking point". She urged the Board to have a legacy as the "Board that built the schools".

Mitchell Felts, a longtime resident, stated that the problems with the existing high school that opened in 1989 were that changes were made to the drawings, and funds were used to pay for other things. He emphasized the necessity to have proper specifications from a professional engineer, not a consulting firm. He stated that the County needs a construction manager who would report to the Board and make sure

that the school is being built according to the plans. He stated that the lowest bid is not always the best and emphasized the importance of using only a qualified firm.

Phillip Felts stated that he has a problem with some of Mr. Cole's assumptions. He indicated that he supports the schools but wants to know, and feels that the public should know exactly what the bottom line is. He expressed his unhappiness with the actions of some of the members of the Board and the School Board tonight, stating that he was embarrassed by their bickering.

David Barker described conditions at the middle school, speaking about overcrowded classrooms, inadequate facilities, describing it as "understaffed by underpaid teachers". He stated that the schools needed to grow along with the County and urged the Board to support new school construction. He indicated that the opposition to school construction has put forth false propaganda, "using ambush style disinformation".

Michael Yates, a 16-year old junior at New Kent High School, described conditions at the existing middle school, indicating that it is hard to get one-on-one attention. He stated that there are currently 668 students in a school that has capacity for 522. Four trailers, providing eight classrooms, are in use, but students must go outside to get to them. He cited problems with handicap accessibility, small and/or insufficient lockers, and inadequate library, cafeteria and gym. He stated that there was mold in the trailer at the high school, and the gym and auditorium are not large enough. He described the locker and changing rooms, and the narrow hallways. He urged the Board to support construction of a new school.

Jake McPherson, a 17-year old junior at the high school, described his experiences at the middle and high schools. Regarding the middle school, he commented on the lack of technology in some of the classrooms because of wiring problems; poor ventilation; the noisy window air conditioners that have to be turned off in order to hear the teachers; leaking windows; problems with handicapped access, and safety issues relating to the number of entrances. As to the high school, he stated that it is overcrowded and some areas are being used for activities for which they were not designed. He indicated that if there is no room to move the lockers from the cafeteria into the hallways.

May O'Leary, a resident in District 2, stated that she had served as the treasurer of the New Kent Middle School PTO. She described the severe overcrowding at the middle school, where they have turned the basement into classrooms as well as the PTO room. They need more teachers but have no room for any more classrooms. She described problems with the heating and air conditioning, as well as the overcrowded cafeteria. She stated that the high school is over capacity, and the current 8<sup>th</sup> grade class numbers 50 more than the current 12<sup>th</sup> grade class, which equates to another two classrooms that will be needed at the high school. She implored the Board to approve school construction, and asked them to keep their promise to vote at tonight's work session.

Charles Frazier spoke about good stewardship, and admitted that the Board had been put "on the spot". He stated that the School Board has not proven the need. He talked about the estimated cost, the many assumptions made by Mr. Cole in his

financing report, the proposed interest rates, and the mistakes made when building the current high school. He does not believe that the County can afford this kind of debt.

Kayleigh Rae, a freshman at the high school, spoke about the problems at the middle school, including safety, overcrowding, the dangerous stairways, overcrowded cafeteria where students have to stand in line for 20 minutes and then only have 5 minutes to eat their lunches, the small locker areas, the small gym, lack of an auditorium or any gathering place for the student body, defective heating and air conditioning systems, sewage backup in the girls locker room, and mold growing in the basement classrooms. She also commented about the overcrowding at the high school.

Kay Russell, a resident of District 4, stated that James City County has 25 modular units in place and are asking for 11 more, and they have a larger tax base than New Kent. She feels the School Board should be considering using more modular units rather than asking the County to float a bond for \$38 million that the citizens can't afford. She then invited Mr. Burrell to move to the 4<sup>th</sup> district where they "can have a supervisor that represents all the people".

Christopher Madison spoke about ways to save money in building a new school by not using an architect, and how an engineer is not needed if the County has a building inspector that knows what he's doing.

Jennifer Caldwell urged the Board not to approve school construction and to look for other options or send it to referendum. She stated that the Board should not "usurp the will of the people" or "ram a new school down their throats". The County needs to slow down growth and preserve its rural character.

Steve Miles stated that he hopes that the next public building that is constructed will be efficient, with better air flow than the boardroom in which this meeting is being held. He stated that the School Board members are the experts as to what is needed and that Davenport did a good job in explaining the financing scenarios. He urged the Board to use good judgment, sound leadership and a vision for the County. He talked about the renovations that were approved for the elementary and primary schools, and the good job done by the Six Year Plan Committee. He commended the Board for its highly effective job in selling the meals tax. He stated that the County already has the land for a new school. He thanked Mr. Hill, Mr. Trout and Mr. Sparks for their strong support of the schools, and thanked Mr. Davis for his support of the last school bond referendum. He stated that Mr. Burrell has spent time studying the middle school and the County spent \$40,000 to learn that it was not feasible to renovate. He stated that further delays will only cost more money. He urged the Board to use their strong leadership to convince the voters that a new school is needed.

Linda Myers, who also spoke on behalf of her husband, spoke about the "reprehensible" plan to build a new high school, and the attempt to "flim-flam citizens" after two school bond referenda have failed. She stated that the County was about to "ram the Farms of New Kent and a new high school down the throats of the citizens of New Kent County". She talked about democracy and recall. She questioned why

the existing middle school can't be renovated for expansion but can be renovated for office space. She stated that the Board is "disregarding the democratic system", and "their only interest is in building a legacy". She urged them to do what they were elected to do, and stated that it would be a mistake to build a new school.

Shelton Johnson signed up but did not speak.

Bob Kay stated that the last school bond referendum was defeated by only 200 votes, and spoke about the assumptions that have been made tonight. He stated that those opposed to the new school were obviously intent on "scaring the citizens" by referring to a significant tax rate increase without considering the revenue sources that are available. He stated that the County needs to have a good financing plan in order to address the many concerns. He indicated that the Board members are elected officials who are empowered to act on behalf of the County, and he urged them to approve the construction of a new school.

Dwight Johnson spoke in support of a new high school. He stated that infrastructure is critical to attracting good development, and there are capacity and physical issues with the schools. He stated that in order to offset the impact on the tax rate, the County needs to increase its commercial development.

Lynn McPherson, from District 1, stated that she has served as secretary of the PTO, and two of her three sons are still students in the public schools. She stated that during the work session on Farms of New Kent, it was reported that there are estimates of 350 permits being issued next year without the Farms of New Kent, all of which will have an impact on the schools. She urged the Board to move forward to vote tonight to build a new high school and convert the existing high school into a middle school. She stated that she volunteers at all of the schools and talked about the "deplorable" conditions at the middle school and the overcrowding at the high school. She stated that the County has "let orchestrated confusion" cloud the issue and have "dropped the ball", for which they should be ashamed. She stated she has never seen a County so reluctant to do what needs to be done for its schools. She said she does not want her taxes to go up, which they will do with or without a new school, but she will gladly shoulder tomorrow's tax burden now to provide for the new school and to give the kids what they need. She urged the Board to approve.

Melanie Martin, a student at the high school and vice president of the student council, spoke about overcrowding at the middle school and challenged Board members to spend a day or two at the school. She stated that the conditions are unacceptable. She stated that no one wants a tax increase, but the students need a safe and secure learning environment. She encouraged the Board to approve.

Doug Dill talked about the State code and the way the CIP process was mishandled this year. He spoke about value engineering and the tax rate. He stated that the County cannot continue to use real estate taxes as a "cash cow". He stated that he is in favor of a new school but the County needs to find another way to pay for it. He is in favor of a referendum. He stated that Mr. Cole had given some good information and that if the citizens knew what the facts were, they might look at it differently.

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George Philbates stated that he doesn't want to see the existing middle school used as an office building. He stated that the County is going to need extra classrooms in the future, and some of the middle school classrooms can be refurbished and rewired, and the County needs to keep it as a school, and build a new office building instead. He talked about how the architect's fee on a new high school would be enough to purchase 58 modular units, and how covered walkways could be built to protect the students from the weather. He described the open space in the current high school as an "accident waiting to happen".

Rebecca Philbates commented that she would like to see the same crowds at all of the monthly Board meetings. She talked about the two failed referenda, and how everyone is talking about how the middle school can't be updated, and about computers and air conditioners, but yet it can be renovated for offices. She stated that the 5 elected Board members should be representing the citizens and not themselves.

John Brown signed up but did not speak.

Donald French signed up but did not speak.

Jack King stated that he served on New Kent's School Board for over 13 years, having been the chairman for many of those years. He is in favor of moving forward with consideration of building a new high school that will serve 1,200 and be expandable to 1,400, and the renovation of the existing high school into a middle school. He stated that the real issue is replacement of the middle school which has some parts that are older than he is. He said that the recommendations by the School Board make more sense, both financially and philosophically. Enrollments are up. The middle school is already 150 students over capacity and the high school is over capacity with its core facilities, and neither can accommodate any future growth. He explained that when the current high school was built, the County cut back on the core facilities in order to stay within its budget and the result is a high school that cannot be expanded. He stated that the School Board has made its request based on the recommendations of its Six Year Plan Committee and the State Board of Education. The County must act now as its most valued resource is the education of its young people, and he urged the Board not to let them down. The need for a new school will not disappear and the cost will only go up. He urged the Board to take action tonight.

Jack Crane, a new resident of New Kent, stated that it was obvious that a new school is needed. Delays in the past have only cost money and the County should move forward with the project. The School Board has made their needs known, has made a recommendation, and the Board needs to rely upon them. He suggested that that the County must spend its money judiciously, and if their main concern is money, then they must realize that delaying will only cost more. He stated that the assumptions made earlier in the evening by Mr. Cole were based on reality. He commented that the cost of government is going up and that Farms of New Kent and other projects will generate revenue. It behooves the Board to take the needs into consideration and make sure the revenue is in place.

Gilda Clark Black, from District 1, stated that she was in favor of the proposal to build a new school. She expressed her appreciation and thanks for the time and energy

that the Board has spent on this issue and others. She also thanked the School Board, stating that they were trustworthy, well-informed and well-educated. She indicated that she trusted the Board to make the proper decision to move forward.

Roy Kegley stated that the Board of Supervisors was elected to represent the interests of the people, and they should vote with the citizens' interests in mind. He stated that the County will either "pay now or pay later", and that the price of a new school will only increase. He talked about the increase in square footage and how it will only increase as time goes by. He commented on the great presentation made by Mr. Cole. He stated that teachers are attracted to communities with new schools.

Elizabeth Day, a resident of Five Lakes, stated that she was an educator and a parent of three children. She stated that New Kent was special and the Board should vote to build a new school. She indicated that she has taught in many districts that have held school bond referenda. She described some of the problems at the middle school, including overcrowded classrooms and loud heaters and air conditioners that drown out the teachers. She feels that a new school is desperately needed. She pays taxes as a homeowner and is willing to invest her tax money for a new school. She urged the Board to vote for approval because that is what is right for the community.

Corey Ray Blunt, a junior at the high school, described the holes in the rotting walls at the middle school, the falling ceiling in the gym, and heating problems. He has concerns about the expected increase in overcrowding at the high school with the large class of 8<sup>th</sup> graders that will move there next year. He talked about the overcrowded hallways at the high school. He stated that the money spent on education is never a waste. He commented that "a trailer is a trailer" and that if the Board really cares about New Kent, it will vote to build a new high school.

Brett Randall Williams, a father of four from District 2, described tonight's public comment as "democracy at its best" and applauded all of the speakers. He is in favor of a new high school and although he would prefer that there be no increase in the real estate tax rate, he realizes that the children are New Kent's future, and it is the County's duty to give them the best teachers and schools in order to prepare them to succeed. He stated that the Board's most important role is leadership and it needs to do what is right for New Kent.

C. Linwood Gregory, a graduate of New Kent High School and current Commonwealth's Attorney, stated that the Board had a tough decision to make tonight. He stated that the current middle school was a "dump" when he graduated from there in 1967, and it is "child neglect" to continue to send children into that building. He reviewed the history of the school bond referenda in the County. He stated that in 1983, there was a problem with the design as well as politics with a supervisor and the bond for \$8.8 failed. In 1985, with the help of Mr. Ellyson, the bond referendum passed to build a new school with core facilities for 800 that could be expanded. The referendum in 1998 failed because the Board of Supervisors was not behind it. The referendum in 2002 failed again because of lack of support from the Board, at which time the County lost the lowest interest rate and construction costs ever seen. He stated that this was not a popularity contest, and the Board needs to

vote for what is right for the County, and urged the Board to support construction of a new school.

Robert White, a resident of Barhamsville, stated that he was not against schools or education, but was against public deception and extravagance. He stated that the last two referenda failed and that the \$38 million price tag does not include equipment or furnishings. He stated that the Board, as elected officials, had the duty and obligation to curtail spending. He indicated that this was not an emergency situation and that there is a more feasible solution that would cost dramatically less. He stated that modular classrooms can be used instead, and stated that Chesterfield is currently using 312 of these units. He'd rather spend the money to pay the teachers more, and asked the Board to take its time in making a decision and to vote against the project tonight.

Isabel White, a lifetime County resident, commented that "buildings do not educate", and that the Board is supposed to represent all of the people. She stated that the County does not need to build a new school at the expense of the elderly and those on fixed incomes. She stated that she was not against education, but feels that the Board needs to take care of everybody and should vote "no" on this issue.

Larry Forbes, from District 2, stated that he had participated as a member of the Six Year Plan Committee and currently serves as Chair of the EDA. He has no children in the school system but volunteers his time because he believes that schools and education are vital to any economic development plan. He indicated that the School Board had carefully considered the needs. He described the work of the Six Year Plan Committee and indicated that he had had the opportunity to serve on this committee two separate times and it would be good if everyone could serve on a committee like this. He stated that it is his opinion that the School Board has done a wonderful job in planning for the County and that individual voters don't have access to all of the information in order to be able to come up with a plan. He stated that the County needed to consider all of its citizens and a referendum would be nice but it would be out of place for something of this magnitude. He requested that the Board vote tonight and get this decision out of the way.

Raymond Mark Bakey, Jr. signed up but did not speak.

Wanda Faye Cox Watkins, from District 5 in Courthouse Estates, thanked the Board for its past and continuing support of the schools and education. She served as PTO president at the middle school and has 2 children there. She stated that it is 150 students over capacity and the high school is 50 students over capacity. She said that our forefathers, when they built the existing middle school in 1930, put education first, even though they were in the middle of tough times. The County is fortunate to now have low interest rates and low unemployment, and is in a better position today to again put education first. She supports a new high school 100% and asked the Board to vote "yes".

Rev. Milton Hathaway admitted that he had amended what he had originally planned to say. He stated that he had a problem with the recent newspaper ad, describing its content as "not true and not new". He stated that Mr. Cole had done a good job on his assumptions, and that 90% of what the Planning Commission did during the 12

years he served on it was based on assumptions. He does not believe that the intent of the assumptions made by Mr. Cole was to mislead but an honest attempt. He stated that the information contained in the recent newspaper ad was the same kind of scare tactics that were used to defeat the last school bond referendum. He stated that the County spent \$40,000 on a feasibility study of the middle school to learn that it would cost \$17 million and not \$10 million for renovations. He stated that the County doesn't need another referendum but needs a new school. He said that previous generations have wrestled with the same issue and that the cost of a new school is an honest investment in the next generation. He encouraged the Board to support construction of a new school without going to referendum.

Frederick G. Bahr, a resident of Doctors Creek in District 5, stated that he had voted in favor of the last school bond issue. However, he does not think the Board has adequately researched or discussed the current proposal and he disputes the estimates of the amount of the tax impact. He stated that this was an "apparent attempt to bypass the electorate" and urged the Board to put the issue out to referendum. He said the taxpayers "like to be asked first".

Ed Allen, Jr., a New Kent High School graduate, lifelong County resident and father of five who has two children and two grandchildren in the schools, spoke in favor of the proposal. Regarding the use of modular units by James City County, he stated that James City County is due to have a new high school online in 2007 which will give them three high schools that have capacity of 1,200 each. He stated that Chesterfield County builds a new school every year. He was a member of the Board of Supervisors from 1974 through 1983, and the 1983 referendum failed during his term. Now the County will only get 2/3 of a school for the same amount of money. He regrets that he didn't push to have the Board vote which would have saved the County money. He acknowledged that the Board members have a tough job but urged them to move forward and don't make the same mistake that the previous Boards did. To some, controlled growth means to keep everything like it is. He said there is no way to stop growth and the County is way behind in school construction.

Lawrence Maier thanked Mr. Burrell for getting this public comment period together tonight. He spoke about how the prior Board approved a \$9 million expenditure without referendum and also about the two prior school bond referenda that were defeated. He does not feel that the tax impact figures that are being offered are realistic because they do not take the operating budget into account and stated that the impact will most likely be in the neighborhood of 25¢, which is too high. He asked the Board to go to referendum, in fairness to the citizens. He stated that "teachers teach, not buildings", and that the County can add on to the existing schools and make it work.

Terry Lawler stated that it was insanity for the County to keep doing the same thing over and over again and expect different results. Studies have shown that the middle school is unsafe and doesn't meet the County's needs. Growth is increasing and she trusts the Board to do the right thing. This will tell the kids that they are worth it. She said that the County already has the best kids, staff and parents – it only needs the buildings.

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Brandon Currence, a resident of Lanexa, has worked as an architect for 20 years, is a product of the public school system and has been in his profession for 30 years. He stated that he takes no credit for his education, and his three children are reaping the benefits provided by their grandparents. He stated that it is now his turn to make a decision that will affect future generations. He could choose to take the "selfish route of self-indulgence" because he won't have any direct benefit. However, he is not going to sit back and do nothing. He will not be part of a "me generation" that says trailers and underpaid teachers are enough. New Kent is his backyard and it is time to build a new high school.

Maynard P. Wright stated that he moved to New Kent in 1980 because it was one of the cheapest places to live. He said the school system was "yucky" then and it still is. He didn't want a new school because it would increase his taxes. He stated that the education level is still down and he still doesn't want a new school. The Board should be representing him and everybody else, and should vote "no" on this proposal. He asked how the Board could approve this when the last two school bond referenda failed to pass. He said he Board "does not care about the people and should be ashamed". He promised to try to get Mr. Sparks out of office. He stated there was little use in speaking tonight because the Board members have already made up their minds.

Stuart Burnett, a resident of District 1 and a 25-year resident, married to a lifelong resident and teacher of 23 years, stated that he has a daughter who is a junior who will not benefit from a new school. However, he believes that the most important responsibility of a local government is to provide for public education. He acknowledged that it is a financial risk, and it is always a risk to move forward; however, he is comfortable with the proposal. He stated that no one can accurately predict the interest rate or revenues from growth, but he knows that student populations are increasing and building costs are rising. Any delay will cost the taxpayers more money. He does not believe that the County needs to hold a referendum, and stated that the Continental Congress didn't hold a referendum when it signed the Declaration of Independence. The Board needs to determine the best funding options based on revenue and take a leadership stand by voting to construct a new high school.

John T. Maffei signed up but did not speak.

Sarah Barber, a new resident in District 5 and an architect, stated that she moved to New Kent because of the quality of the schools and community. She has two children, ages 2 and 5, and her goal is for them to graduate from New Kent High School. She was part of the project team that conducted the feasibility study on the middle school last year. She confirmed that renovation would be very costly, estimated around \$17 million, and would not address future needs. She acknowledged that many communities have successfully renovated schools and converted schools from one use to another. She spoke about the overcrowded classrooms in the middle school, the growing population and capacity. She stated that the middle school was past due for renovation, and that the high school is over capacity. As a resident she supports construction of a new high school and conversion of the existing high school into a middle school.

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Karen Cameron, who moved to District 1 and New Kent about 1 ½ years ago and has a son in the middle school, stated that she was disappointed and astonished at how little is invested in education. She talked about lack of computer access, noise from air conditioners, and the poor technology that teachers are given to work with. She stated that pleasant working environments are important when trying to attract and retain good teachers, and the condition of the existing middle school says that the County's doesn't value them. It has been put off too long and will only cost more if the County waits.

Daniel Bullington thanked the civil servants who were here tonight. He stated that he was new to the County and moved here because of its rural atmosphere and sense of family values. He stated that the County has few resources. He stated it was important to pay teachers first and perform immediate fixes where needed, and wait until there is a valid and logical business plan to build schools at the right time. He stated that he was really troubled with the fact that the Board has already made its decision and stated that the Board should not "circumvent the will of the people".

Shawnette Hilliard, a resident of District 3 and mother of three children, has a physically handicapped sixth grader and is a stay-at-home mom, for which she gives up luxuries. She asked the Board if they would be able to say that they gave New Kent's children everything they could.

William Jeffries signed up but did not speak.

Julie Vaisvil, a resident of District 1, stated that she moved to New Kent in 2001 and because she had adult children, did not have to consider the schools. However, she has done her research and finds that the schools are staffed by caring teachers and active parents. She was shocked when the referendum was defeated and stated that the County has to act now to support the needs of its students. If those needs are ignored, they are going to lose their best teachers, businesses and residents. She recalled Terry Lawler's previous presentation on Operation Uplift which included the question "what is it that we have given these people that have made them who they are" and she believes that the answer is that it has been the love and caring that they received from the schools and community. She urged that the County show the same concern for its current and future students.

Jamie Ploppert thanked the Board for the opportunity to voice her support for the construction of a new high school. She said that it is clear that it is not a matter of "if" but "when" and "the time is now". She stated that there is a current dire need and asked how bad it had to get before any action is taken. She agreed that we need to increase the teachers' salaries and buy new equipment, but that this was not an either/or decision – New Kent needs both. She spoke about the physical condition of the middle school, which she feels has a significant effect on teachers and their ability to educate, as well as the hiring and retaining of good teachers. Regarding the failed referendum, she stated that taxpayers rarely vote to raise their own taxes. This problem is not going away and if New Kent waits, the cost will just keep increasing.

Ronnie Cox, a teacher of U. S. History at the high school, stated that it was wonderful to see democracy in action. He stated that he did not have a lot to add to what has already been said tonight. He stated that there is overwhelming evidence that New

Kent needs a new high school. He appreciates the push and pull of representative government and the great deal of compromise that is required of statesmen to take a position of leadership. However, the students are puzzled as to why the County is not able to make a decision on this issue. He talked about the moldy, deplorable conditions at the middle school. He expressed his appreciation for the School Board's efforts to obtain raises for the teachers. He asked that the County build a new high school and get the students out of the existing middle school as soon as possible.

Frank Carley signed up but did not speak.

Jim Noctor spoke in favor of building a new school, saying "it is the right thing to do".

David Mihalcoe stated he was not against education and he would like to see a new school, but he doesn't think the Board has looked at all the options. He stated that a pre-fabricated steel building would be about half the price of one made of bricks and mortar, and asked that the Board look into that before spending \$38 million and increasing the tax rate. He is on a fixed income and doesn't have extra money to put into taxes.

Rick Easton, a 16-year resident, stated that trailers are not an economical option. They last for only five years and it is "just money thrown away". It is a stop gap measure only and he is upset with what he hears from some of the Board members. He stated that the previous referenda were defeated by "rhetoric" from Board members who "had an agenda". He was surprised at some of the things he heard from Board members suggesting that the comments tonight were not representative of what the community feels. He urged the Board to listen to what has been said tonight.

Conrad Griffiths stated that the County should be ashamed of sending its children to such schools. The County wants the best for its children, and should pay the teachers more money and refurbish the schools. If the County needs to put students in trailers as a stop gap, that's okay. It can then have time to set up a plan for the future on what can be afforded and then have an opportunity to show it to everybody. He suggested opening up the schools for all to see.

Fred & Jerri Kaiser signed up but neither spoke.

Cecilia Garner, a 36 year resident, attended a high school that had no heat or air condition and had more students than New Kent's high school. She stated that the teachers' attitudes were great and the size or lack of furnishings didn't affect her education. She believes our teachers need raises, resources and respect. A new building will not change that. The important issue is that the voters did not approve the past school bond referenda - not the number of votes. She believes there are too many unanswered questions, and she is opposed to how this is being handled. The County needs a plan, not a proposal. Citizens want to know what the real cost will be, not assumptions.

Christie Dawson, a resident of District 1, spoke in support of a new high school. She served as Middle School PTO president for three years and she agrees that the descriptions of the middle school are embarrassing. She thanked the School Board

members for pursuing this issue. The County needs this. She urged the Board to stop the debate and delay, do the right thing and vote "yes".

Vicki Courier, a 3 year resident, stated that she fell in love with New Kent before she saw the schools. She didn't want to live in Richmond any longer and kept thinking that any day a new school would be built. She was shocked when the referendum failed twice, and stated that she could not believe what was happening and that no one wanted to do anything to change things. She described the schools as "ridiculous". She stated that no one wants to pay more taxes, but that is not the issue. This County needs a new high school. She asked how is it that New Kent is using a school that was built in 1930 when the lifespan of a school is 50 years? She stated that a new school should have been built in 1980. The current high school is now 19 years old. She believes the Board knows the right way to vote and she hopes they do that tonight. She stated that Mr. Burrell knows this County needs a new high school and she hopes that he does not have his own agenda.

There being no one else signed up to speak, the Public Comment Period was closed.

Mr. Burrell emphasized that he is pro-education. He wants a new school but doesn't think the County can afford it. The schools can use modular units until the County can afford to build a new one. He has compassion for those on fixed incomes. He stated that the ones here tonight who spoke in favor of a new school are well-to-do with prepared speeches. He feels the difference on the referendum votes was overwhelming, and that spending money on a building won't give the County the "biggest bang for its buck". He wants the best for the kids and the County can use alternatives until it can afford to pay for a new school. Waiting will allow pay increases for the teachers and purchase of more computers. He stated that he would "admonish the Board" that the speakers here tonight do not represent a majority of the people.

Mr. Hill stated that his emails were 4:1 in favor of a new school and phone calls were 3:1 in favor. He indicated that the public had ample opportunity to come out and be heard. The decision made tonight will be based on the needs of the County and the 2700 students that attend its schools. He is embarrassed by the conditions at the schools and he is just not going to continue to let it continue.

Mr. Trout stated that he loves that New Kent's people want to be involved and do what is necessary to have their opinions heard. He has received many e-mails, letters and phone calls and everybody has good arguments. The Board is being asked to balance taxes with quality, and it is important to be able to disagree without being disagreeable. He said it is simple math: the school system has 800 more students than it had when the last school was built and that number equals a new school. The cost is increasing and interest rates will be going up soon, although they are lower now than they have ever been. The County has an obligation to provide education and every homeowner is obligated to support that goal. Educating children is the most expensive but most valuable thing that local government does, and New Kent needs to do the best it can. He stated that good points were made tonight. He reported that if construction of a new school is approved tonight, he will move to commit 80% of the meals tax revenue and 100% of the OTB revenue to school construction. He also stated that the Board is looking at broadening the tax relief

available to the elderly and handicapped which will be effective for the upcoming tax year. He stated that it is the County's obligation to provide public education without placing undue burdens on the taxpayers.

Mr. Sparks stated that he worked hard on the school bond referendum in 1998, which failed by 117 votes. He never thought that he would be sitting here tonight to "right a wrong that was made to the student citizens of the County".

Mr. Davis stated that he wished the school bond referendum had passed and thanked everyone who contacted their supervisors to express their opinions. He stated that he had received 116 e-mails which had crashed his computer and so many phone calls that his answering machine broke. He indicated that most of his constituents are on fixed incomes and were not in favor of building a new school and have asked him to vote against it.

Mr. Hill made a substitute motion to approve the School's Board's recommendation that the County begin proceedings to construct a \$38 million high school and subsequently spend \$1.1 million to upgrade the existing high school to become a middle school. The members were polled on the motion to make a substitute motion:

D. M. "Marty" Sparks	Aye
Stran L. Trout	Nay
James H. Burrell	Aye
Mark E. Hill	Aye
W. R. "Ray" Davis, Jr.	Nay

The motion carried.

Mr. Burrell stated that he wanted a vote on his motion. Mr. Trout stated that motion had now been replaced by motion to build a school. The vote just taken was the vote on the motion to substitute and now there needs to be a vote on the motion itself.

The members were polled on Mr. Hill's main motion:

James H. Burrell	Nay
Stran L. Trout	Aye
Mark E. Hill	Aye
D. M. "Marty" Sparks	Aye
W. R. "Ray" Davis, Jr.	Nay

The motion passed.

Mr. Trout stated that he now wanted to make a motion to dedicate revenue. Mr. Davis suggested that the Board wait until the meals tax goes into effect. Mr. Trout stated that the Board could dedicate funds the same way it did when it allocated 6¢ of the real estate tax rate to school construction. Mr. Trout then moved to commit the following County income to school construction: 80% of the meal and beverage tax net proceeds and 100% of the County's income from Colonial Downs' off-track facilities in Vinton, Scott County, Westmoreland County and Henry County; and

further, that funds received prior to obtaining the loan for school construction or before payments are due will be set aside for future payments, or for the reduction of the loan balance.

Mr. Trout explained that 80% of the meal tax revenue is estimated to be \$230,000.

Mr. Burrell moved to amend Mr. Trout's motion to 50% of the meal and beverage tax net proceeds and 50% of the County's income from the off-track facilities.

Mr. Hill stated that he felt that the educational needs are greater than the others and he would support Mr. Trout's motion as he made it.

The members were polled on Mr. Burrell's motion to amend:

Stran L. Trout	Nay
Mark E. Hill	Nay
D. M. "Marty" Sparks	Aye
James H. Burrell	Aye
W. R. "Ray" Davis, Jr.	Aye

The motion passed.

The members were polled on Mr. Burrell's amended motion:

Mark E. Hill	Nay
D. M. "Marty" Sparks	Aye
James H. Burrell	Aye
Stran L. Trout	Aye
W. R. "Ray" Davis, Jr.	Aye

The motion passed.

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IN RE: OTHER BUSINESS

County Attorney Phyllis Katz stated that back in the fall the Board had discussed changes to the elderly and handicapped exemptions in the New Kent Code. The proposed changes to the Code are now ready to be advertised for public hearing to be held in April. The proposed changes include increases in the amount of household income and net worth, as well as an increase in the exemption amount from \$400 to \$600. The Board agreed to proceed with advertising in April.

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IN RE: CONTINUANCE

It was agreed to continue the meeting until March 1, 2005, at 6:00 p.m. The meeting was suspended at 11:27 p.m.

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