

THE REGULAR WORK SESSION OF THE NEW KENT COUNTY BOARD OF SUPERVISORS WAS HELD ON THE 27th OF JUNE IN THE YEAR TWO THOUSAND FIVE OF OUR LORD IN THE BOARDROOM OF THE COUNTY ADMINISTRATION BUILDING AT 6:04 P.M.

IN RE: ROLL CALL

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

Chairman Davis called the meeting to order.

IN RE: NEW POSITIONS

Under consideration by the Board was formal adoption of the positions of Codes Compliance Inspector-Zoning, Plans Examiner/Chief Inspector, Planner I, and Executive Assistant/Human Resources Assistant. County Administrator John Budesky explained that these positions had resulted from the Farms of New Kent project and some increases in planning and zoning fees, with the exception of the last position which was upgraded (with the difference being paid from contingency) during the budget discussions in order to incorporate some human resources duties.

Mr. Davis asked staff if the proposals were the "best use" of these positions. Community Development Director George Homewood indicated that it was staff's consensus that it was, although they would like to have twice as many new positions.

Mr. Hill asked about the Planner I. Mr. Homewood indicated that this person will be directly supervised by the Planning Manager and his/her duties will be based upon "what walks in the door". This person will spend most of his/her time working on general planning issues which will allow Mr. Homewood and Mr. Hathaway to focus on broader issues.

Mr. Hill asked who will have oversight of the Farms of New Kent project. Mr. Homewood responded that he will take personal responsibility for making sure that project moves forward.

Mr. Trout moved to approve the proposed positions of Codes Compliance Inspector – Zoning, Plans Examiner/Chief Inspector, Planner I, and Executive Assistant/Human Resources Assistant effective July 1, 2005. The members were polled:

Mark E. Hill	Aye
D. M. Sparks	Aye
James H. Burrell	Absent
Stran L. Trout	Aye
W. R. Davis, Jr.	Aye

The motion carried.

IN RE: APPROPRIATIONS AND INTER-DEPARTMENT TRANSFERS

Assistant Accounting & Budget Director Amy Stonebraker reviewed the requested appropriations which were: additional funds for food service as a result of closing the SunTrust checking account and transferring the funds to the General Operating checking account, \$135,000.00; funds for DMV Grant-Alcohol Enforcement "Summer Blitz" for the Sheriff's Office, \$1,500.00; funds received for reimbursement of professional services for Patriot's Landing, Invoice #PL-07, \$105.00; additional funds for the purchase of jail space for May and June of 2005, \$25,000.00; funds for School Capital in Fund 7 remaining from fiscal years prior to FY04, \$170,558.00; funds for retainage held for fire station #1 paid in FY05, \$14,012.00; additional funds to cover the cost of legal services, \$84,000.00; additional funds to cover the cost of advertising and copier expense in the AFD budget, \$1,000.00; Total Supplemental Appropriation: \$(431,175.00): \$137,605.00 Money-in/money-out; \$109,000.00 From General Fund – Fund Bal. \$184,570.00 From Capital Fund – Fund Bal.

Mr. Davis inquired why the account at SunTrust Bank was being closed. Ms. Stonebraker explained that one of the Bank's workers had taken some checks and the Bank had requested closure as a safety measure. She indicated that she understood that the School Board had been waiting to close out this account anyway and the funds will be put into their regular account, but still separated as a fund. Mr. Davis commented that food service funds appeared to be an "easy fund for misuse" and Ms. Stonebraker stated that she understood that School Finance Director Ed Smith was watching it closely.

There was a discussion about jail costs. Sgt. Charles Gardner from the Sheriff's Dept. stated that their bill for prisoner confinement in May was \$57,260 and it appeared that June's will be close to \$60,000. The highest ever was in August of 2004 when it was \$59,185. Sgt. Gardner stated that he had also been asked by the Sheriff to mention their concerns about courthouse security. He explained that they have to segregate the male prisoners, female prisoners, male juveniles and female juveniles, and that is difficult to do with just two holding cells, which often results in unsafe situations. Mr. Budesky stated that expansion of the Sheriff's office is budgeted in the CIP for next year.

There was a discussion about the legal services appropriations of \$84,000. Mr. Budesky explained that these amounts did not include those that are recoverable through projects and utilities. Ms. Stonebraker pointed out that there is also a request to approve a budget transfer from contingency to legal fees for another \$74,000. There was a discussion regarding the amount budgeted, and Ms. Stonebraker reported that \$160,000 was budgeted for FY04/05. Mr. Budesky indicated that the FY06 budget did have a substantial increase for legal fees and he is working on ways to curb the demand for legal services. County Attorney Phyllis Katz reported that the two biggest users of their services are the Planning Department (about \$6,000 per month) and Public Works (\$3,000 - \$4,000 per month). There have been also been the subdivision and zoning ordinance re-writes. Mr. Sparks commented that he can't see things slowing down much and that the County needs to do a better job of anticipating these costs. He asked Ms. Stonebraker to provide the

Board with a breakdown of legal fees in this week's Friday packet, broken down by departments.

Mr. Hill moved to approve the Appropriations as presented. The members were polled:

Mark E. Hill	Aye
D. M. Sparks	Aye
James H. Burrell	Absent
Stran L. Trout	Aye
W. R. Davis, Jr.	Aye

The motion carried.

Ms. Stonebraker reviewed the proposed Inter-Departmental Budget transfers as follows: \$6,900.00 from Salary/Wages (4-1-30000-1100) to Professional Services (4-1-81010-3120), to cover cost for Rickmond Engineering while Environmental Manager on maternity leave; \$6,875.55 from salary and wage line items (31350) to Part-time Dispatch (21070) to pay for part time dispatchers; \$4,586.00 from Animal Control Repair & Maintenance (35010-6007) and Police Supplies (35010-6010) to Sheriff's Gas Expense (21070-6008) to cover increased gasoline costs; \$4,150.00 from Machinery & Equipment (21700-8001) to Gas Expense (21070-6008) to cover increased gasoline costs; \$101,100.00 from Reserved for Contingency (4-1-91020-0001) for end of year cleanup in Assessor – Board of Equalization pay (4-1-12100-1700) \$3,100.00; Secure Detention – Merrimac Center (4-1-33030-3801) \$24,000.00; Legal Services – Litigation (4-1-12040-3151) \$15,141.00; and Legal Services (4-1-12040-3152) \$58,859.00.

Ms. Stonebraker reported that they will be asking for another \$35,000 next month for Secure Detention, and that information should be in this week's Friday packet. Mr. Budesky explained that additional kids are being placed in secure detention and the County is obligated to pay for those costs. Mr. Davis inquired what had been budgeted for the Merrimac Center last year. Ms. Stonebraker reported that to be \$107,949. That does not include the \$24,000 being requested now or the \$35,000 that will be requested next month. This covers secure detention, non-secure detention and some operating costs. The Merrimac Center submits their budget each year, but it is hard to anticipate. Mr. Davis pointed out that they will be 50% over budget. Ms. Stonebraker indicated that some of these kids may have previously been covered through CSA. These requested transfers represent \$101,100 from the contingency account.

Mr. Hill moved to approve the inter-departmental budget transfers as presented. The members were polled:

James H. Burrell	Absent
Stran L. Trout	Aye
Mark E. Hill	Aye
D. M. Sparks	Aye
W. R. Davis, Jr.	Aye

The motion carried.

Under consideration by the Board was an Appropriation and Budget Transfer Request resulting from a Court Order by Judge Thomas Hoover involving an emergency case in the Juvenile & Domestic Court. This involved an appropriation from Fund Balance (3-1-41090-001) of \$7,200 into Contingency (4-1-91020-0001) and then a transfer of a like amount into Non-Secure Detention Services (4-1-33030-3802). Ms. Stonebraker explained that this will make the funds easier to track.

Mr. Trout moved to approve an appropriation of \$7,200 out of Fund Balance into Contingency and then transferred to Non-secure Detention Services line item. The members were polled:

Stran L. Trout	Aye
Mark E. Hill	Aye
D. M. Sparks	Aye
James H. Burrell	Absent
W. R. Davis, Jr.	Aye

The motion carried.

IN RE: DEED OF EASEMENT FOR MT. PLEASANT ROAD PROJECT

Under consideration by the Board was a request to authorize the County Administrator to execute a deed conveying a right-of-way to the State for a road project on Mt. Pleasant Road. Mr. Budesky pointed out that this item had been on the agenda at the last meeting but deferred because of some confusion about ownership of the property. It has now been determined that the County does own the property and the Board was asked to authorize execution of the deed.

Mr. Sparks moved to authorize the County Administrator to execute a Deed conveying approximately 1.831 acres designated as Tax Map#43-6-10 to the Commonwealth of Virginia through its Department of Transportation, for proposed improvements along Route 628, Mt. Pleasant Road, in New Kent County, Virginia. The members were polled:

Mark E. Hill	Aye
D. M. Sparks	Aye
James H. Burrell	Absent
Stran L. Trout	Aye
W. R. Davis, Jr.	Aye

The motion carried.

IN RE: ACCEPTANCE OF EASEMENTS

Under consideration by the Board was Resolution R-98-05 accepting easements to certain property in New Kent County for the utility project.

Mr. Trout moved to adopt Resolution R-98-05 accepting easements on the parcels identified as TMP# 19-41 TMP# 19-9-3; 19-9-2; TMP# 19-65-A, TMP# 20-16-12, TMP# 20-61, TMP# 20-66F, TMP# 20-10-A, TMP# 20-10-E, TMP# 19-11-5 and 19-11-2, TMP# 20-70-A, TMP# 19-B2-7-3-19; 19-B2-7-3-20, and TMP# 19-4-5-A. The members were polled:

D. M. Sparks	Aye
James H. Burrell	Absent
Stran L. Trout	Aye
Mark E. Hill	Aye
W. R. Davis, Jr.	Aye

The motion carried.

IN RE: UTILITY SERVICE AGREEMENTS

Public Works Director Alan Harrison requested the Board's consideration of two utility service agreements.

He related that the agreement with Patriots Landing Management Corporation provides that they will give the County the needed easements, the County builds a gravity sewer through its development, and Patriot's Landing reimburses the County for the cost, less any over-sizing requested by the County. Patriots Landing will also clear the water line route for the County.

The agreement with David Horsley provides that the County will deepen one stretch of line to accommodate his development and he will pay for the additional costs.

Roger Hart of R. Stuart Royer was present and confirmed that these items are covered in the plans and specs.

Mr. Hill moved to authorize the County Administrator to sign the Utility Service Agreement between Patriots Landing Management Corporation and the County of New Kent. The members were polled:

James H. Burrell	Absent
Stran L. Trout	Aye
Mark E. Hill	Aye
D. M. Sparks	Aye
W. R. Davis, Jr.	Aye

The motion carried.

Mr. Hill moved to authorize the County Administrator to sign the Utility Service Agreement between David L. Horsley, Sr. and the County of New Kent. The members were polled:

Stran L. Trout	Aye
Mark E. Hill	Aye
D. M. Sparks	Aye

James H. Burrell
W. R. Davis, Jr.

Absent
Aye

The motion carried.

IN RE: PROPOSED CHANGES TO SEC. 94-40, 94-42 AND 39-176 OF THE NEW KENT COUNTY CODE

It was noted that this item had been deferred from the previous meeting due to there being only four Board members present which resulted in a tie vote. Since none of the members have since changed their opinion and Mr. Burrell's absence tonight, Mr. Sparks moved to table this item to the next regular meeting on July 11, 2005. The members were polled:

Mark E. Hill	Aye
D. M. Sparks	Aye
James H. Burrell	Absent
Stran L. Trout	Aye
W. R. Davis, Jr.	Aye

The motion carried.

IN RE: REQUEST FOR REMOVAL FROM BOTTOMS BRIDGE SERVICE DISTRICT

Under consideration by the Board is a request from Himansu G. Patel that the property upon which the Star Motel is located be removed from the Bottoms Bridge Service District. Mr. Patel was expected but was not present at the time of discussion.

Mr. Budesky explained that the Bottoms Bridge Service District stops at the Star Motel. Just about a year ago, Mr. Patel spent \$85,562 to upgrade his septic system and he doesn't want to pay additional costs to connect to the sewer system. Neither Alan Harrison nor Roger Hart feel that removal of the property from the District will have any impact on the project. There will be loss of revenue for use and a loss of *ad valorem* tax, but there will also be a cost savings by not having to extend the line that far, estimated by Mr. Harrison to be \$50,000. The line would then end at the Sun Café which is owned by someone else. It was reported that there has been no request from the owner of the Sun Café to be removed from the District.

Mr. Trout pointed out that the County would not get *ad valorem* tax and would lose on future service.

Mr. Budesky indicated that the only reason that staff gave consideration to Mr. Patel's request was because of the investment that was put into the property and that it is at the end of the line.

There was discussion as to whether this would set a precedent, and "open up the door" to others who might want to be removed. It would have to be advertised for public hearing and that might create interest in others to do the same thing. Mr. Harrison indicated that the project bids are scheduled to be received on July 18 and 19, and the contract will be awarded on July 25.

Mr. Davis commented that if in the future the motel wanted to expand, it wouldn't have enough room because of the drain fields. Mr. Sparks stated that he respects the investment that the business has made but feels that down the road it will need and want to be connected.

Ms. Katz commented that the owner had installed the new septic system after the District was created and never came forward asking to be excluded.

Mr. Hill inquired if it was possible to leave the property in the district and not require it to connect. Ms. Katz stated that it was, but it would set a precedent. She indicated that in some localities, businesses are required to pay the connection fee and a minimum user fee (set by the Board) but don't hook up. Mr. Hill suggested that the County Administrator meet with Mr. Patel to present that idea to him and then report back to the Board. There was consensus with this suggestion.

Mr. Patel arrived later in the meeting. He explained that the Health Department advised him that he had to put in a new septic system or would have to shut down. He spent \$85,000 on the system which should last for 25 years.

Mr. Davis stated that the Board could not understand why Mr. Patel didn't know that the Star Motel was included in the Service District. He explained that the Board had discussed this before Mr. Patel's arrival and had instructed the County Administrator to work with him on some alternatives. Mr. Budesky indicated that he had briefly spoken with Mr. Patel when he arrived, explaining the option of leaving his property in the district and running the line as planned, with Mr. Patel paying the connection fee and a minimum service charge, but not being required to actually connect until he was ready.

Public water was discussed. Mr. Patel explained that he had also installed a new water line (that runs in the rear) because it was leaking. There was a discussion about the possibility of adding on to the motel in the future, which would be possible if it was connected to public water and sewer. It was reported that the motel currently has 23 units. Following further discussion, Mr. Patel agreed that he should stay in the District and may want to connect in the future. Mr. Budesky explained that the connection fee that Mr. Patel would pay now would be at today's rate, and when he was ready to connect, he would not have to pay another. Mr. Patel confirmed that the property on which Sun's Café is located is owned by someone else.

Mr. Budesky indicated that he will work out an agreement with Mr. Patel, which would include his signing of the Deed of Easement. Mr. Patel indicated that he had no problem with granting the easement as long as the County restores the property after the line is installed. Mr. Patel had a copy of the agreement with him and signed it at the meeting, leaving it with the Deputy Clerk to forward to the County Attorney so that his property could be removed from the condemnation list.

IN RE: WATER & SEWER SERVICE ALONG ROUTE 106

Mr. Budesky reported that interest in public sewer service along Route 106 south of the I-64 interchange has been increasing, and there are two requests on the agenda

tonight from businesses to be added to the County's pump and haul permit. Additionally, the EDA has recently purchased the Fisher property which will be more easily marketed if public water and sewer were available. He reported that there has also been increasing interest from businesses for smaller parcels and at least one of the property owners in the area has agreed to work with the EDA to subdivide his property into smaller parcels in order attract businesses to this area.

Mr. Budesky pointed out that the current proposal is different from what the Board previously considered for this area, as it includes water and sewer and covers a longer route. Staff has considered two separate options. Option I would be to re-route the trunk line from I-64 through the Fisher property and relocate the pump station at its southern end. Option II would extend from the pump station down Route 106 and up the access road to the Fisher property. Option II costs \$500,000 more than Option I, but staff feels that Option II is more advantageous to the County in the long run and won't delay the sewer project. He reported that the total combined water and sewer infrastructure cost for the project, using Option II, has been estimated to be \$3.75 million (includes the sewer line on the Fisher property).

He reviewed the funding strategies that might be used. Option A would involve creating a service district and collect *ad valorem* taxes to help offset the costs. Under Option B, the County could opt to fund the project and absorb the cost and he referred the Board to the analysis of Steve Jacobs on the build out costs. With either of these options, the Board could chose to work with the EDA to finance the project.

Mr. Budesky reviewed the benefits which would include attracting new businesses resulting in increased tax revenue and jobs. He pointed out that this is an economic opportunity area and the County would not want to have a large number of septic systems in the area. He stated that this would also complement the Farms of New Kent project as well as the Fisher property. Challenges include that it would increase demand on staff and there is the risk of increased requests for residential developments. He pointed out that other than Route 33 and Bottoms Bridge, there is little attractive property for business development.

Mr. Sparks asked what kind of businesses he was looking to attract. Mr. Budesky responded that would be the larger retail business, hotels and light industrial.

There was discussion about how to pay for it and how many property owners are in the proposed service area. Mr. Harrison admitted that the usage would not pay for the build-out. There was also discussion about the necessity for a road, which could bring the cost of the project up to \$5 million.

Mr. Budesky stated that now is the time that the Board will need to make a decision on the over-sizing of the Farms of New Kent water tank to eventually service Route 106 (from .5 million to 1 million gallons). The cost of that over-sizing has been estimated by Roger Hart to be about \$350,000. Resource International is in the process of beginning design work. There was discussion about time tables. Mr. Harrison estimated that it would take about two years to get the Farms water tank on line. (Roger Hart reported that they are within one week of painting the water tower at Bottoms Bridge).

Mr. Hill stated that he counted 23 parcels that would have access to sewer service along Route 106. He indicated that this is a real opportunity for the County and the Board should have done it a year ago and should do it now. He stated that if the County can handle a \$17 million note, it can do this. The County will not attract anybody without infrastructure on this site. He commented that if the Board is not going to be proactive, then it doesn't need the EDA. He stated that he and some of the other Board members had run on a "business friendly" platform and that "now is the time to put up or shut up".

Mr. Davis stated that he is concerned with the return. Mr. Hill responded that what the County gets over a 20 year period will be a lot more.

Mr. Sparks stated that while he agreed with Mr. Hill, he is also concerned with how to pay for it. He asked that staff gather more information so the Board can get a better handle on it.

Mr. Budesky indicated that it will be very difficult to make these properties attractive to large scale business development without public utilities.

The Board asked Economic Development Director Andy Hagy about the status of his negotiations with the "big box" retailer. Mr. Hagy indicated that he is still talking with the prospect, who is dealing with some larger issues at the present time.

Following discussion, it was agreed that Mr. Budesky would do some more research and try to determine what the *ad valorem* would be in the area, try to tighten up the business strategies and financing, and then come back to the Board.

Mr. Davis inquired if the EDA could borrow the money for water, sewer, and the road on the same bond. Dan Siegel from Sands Anderson responded that it could.

Mr. Trout commented that the EDA would have to be able to show repayment ability.

Mr. Budesky stated that if the *ad valorem* did not cover the cost, the balance could be paid by the enterprise fund. Mr. Trout commented that the County will have to have this infrastructure in that area eventually.

Mr. Harrison asked the Board if they wanted to proceed with having the water tank upsized as he is scheduled to meet with Resource International on Friday. He can then come back with a definite cost.

Mr. Davis asked if the water tank at Bottoms Bridge could be used. Mr. Harrison said that it would suffice, but using it would result in having to set up the second tank sooner.

Mr. Davis asked if the County would have to borrow the money to pay to upsize the Farms of New Kent water tank. Mr. Budesky stated that if the Board approves a CDA for Farms of New Kent, then it will have that revenue. He indicated that he has a meeting on Thursday to discuss financing options and Mr. Harrison will have to come back with an exact amount. The real cost is in construction. It cost \$1.3 million for the Bottoms Bridge water tank. Mr. Trout stated that the County needs to go ahead

with design. Mr. Davis asked if the CDA for Farms of New Kent was for water and sewer only and asked if the County could do "a little horse trading". Mr. Budesky stated that it was too late to ask for another proffer.

Ms. Katz stated that the Board creates the CDA which requires a petition by at least 50% of property owners. She suggested that the Route 106 property owners on the south side of I-64 could join in the petition. The CDA Board maintains control. No one has seen the CDA proposal from Farms of New Kent yet but there has been indication that Farms of New Kent would prefer assessments over *ad valorem*. Mr. Davis asked that staff determine what Farms of New Kent wants and the Board could schedule another retreat and spend about one half of it working on that. Mr. Budesky indicated that he would follow up as requested.

IN RE: PUMP AND HAUL POLICY

Under consideration by the Board was a draft policy to administratively handle pump and haul requests. Mr. Budesky explained that this was an attempt to make the guidelines a little clearer and provide incentives for owners of failing septic systems to make improvements, as well as incentives to business developers. Mr. Budesky stated that current practice provides no incentive to come off of pump and haul in non-service areas.

Ms. Katz advised that the County can continue to act on pump and haul requests without adopting a policy.

Mr. Harrison explained that there are three kinds of pump and haul permits under Health Department regulations. The first is an emergency pump and haul, where there is a failure with no immediate fix, and encompasses failure of residential systems, providing a limited pump and haul period. The second is a temporary pump and haul which can be for up to two years and covers 1) areas that will be connected to sewer, 2) instances where there is an agreement in place with a public entity and 3) where there is construction taking place. The third is permanent pump and haul which is granted only to government entities.

Mr. Harrison reviewed the draft policy prepared by staff. Option 1 provides for instances where sewer service is imminent and the Board has committed to provide sewer service within two years. This would only apply if the Health Department has not authorized a temporary permit. Approvals would be for a one-year initial term and two one-year extensions would be available if needed for County delays. Under this scenario, the owner would be required to connect within six months of sewer completion with no extensions granted. The pump and haul granted to Essex Concrete is an example of this option.

Option 2 would not apply to businesses in planned sewer service areas or in imminent sewer installation areas, and would only apply to existing structures where the Health Department has mandated improvements or repairs. Approvals would be for one (1) year, with one one-year extensions available. Additional extensions would be subject to the discretion of the County and would require forfeiture of the deposit and additional fees as defined in the County Code. The pump and haul permit granted to B&B Seafood is an example of this option.

In both options, any default on fees will result in termination of the permit, and the County reserves the right to terminate any agreement for due cause, including but not limited to the applicants' lack of diligence in meeting the terms of the agreement, the timeframes established in the agreement, or the deliberate release of sewage into the environment.

The proposed policy provides that no residential pump and haul agreements and no permanent pump and haul agreements will be considered. No hazardous waste (as defined by Federal regulations) pump and haul agreements will be allowed.

It was explained that staff has attempted to develop a policy that is fair to businesses but still "have some teeth in it". If an application fell within the policy, then it would not come to the Board for consideration. It was reported that staff had met with Steve Fuhrmann from the Health Department who had no objection to anything in the proposed policy. He did have a concern that a business might open for two years and then abandon the location if not successful. Although this is a legitimate concern, it was pointed out that the business owner would have made an investment.

Mr. Trout expressed his concern about the County's liability if sewer was not installed. Mr. Budesky indicated that there would be language in the policy to protect the County if the sewer service is not yet ready and the County won't be held to a deadline for sewer availability. Mr. Budesky will also keep the Board apprised as to the approvals that are issued. Any appeal would be to the Board.

Mr. Sparks asked for a re-wording of sections a) and b) under Business Incentive Policy by the end of the week.

It was reported that the owner of the property where B&B Seafood operates has received his permit to replace the system.

IN RE: PUMP AND HAUL REQUESTS

Under consideration by the Board were three individual requests to be added to the County's pump and haul request.

Randy Caldwell of Rockahock Campground reported that the campground is being required by the Health Department to make a modification to its RV dump station by installing an in-ground concrete septic tank with a 1,500 gallon capacity. Their current permit expires on June 30, 2005 and he requested that they be added to the County's pump and haul permit. He explained that they have had the current RV dump station since 1997 or 1998 and haven't used it one time. However they are required to have an RV dump station in campgrounds their size in order to meet the regulations of the Health Department. In campgrounds where sites have electric and water service only, RV dump stations are not necessary. All sites at Rockahock have sewer connections on the site. He indicated that he could request a permit to build a drain field that would never be used because no sewage would go into it. This RV dump station will never be pumped and will sit empty forever.

Another issue that may arise is an existing tank at the marina which is being refurbished. This tank is covered by an existing haul contract with a local company since sometime during the mid 1970s although no one can ever recall it having been pumped. This tank is required in order to meet the regulations of the Clean Vessel Act. The RV tank and marina tanks are two separate tanks that are 500 feet apart. Although the Health Department has not required any action yet on the marina tank, when and if becomes an issue, he would like for that to be covered under a pump and haul permit as well.

Mr. Caldwell indicated that future development of the campground will require that a wastewater treatment plant be installed. He reported that he has hired an engineer to design a package plant on the property which will handle all wastewater treatment. He indicated that there are currently 28 - 32 permitted in-ground systems at the campground.

Mr. Trout moved to approve the request of Rockahock Campgrounds, Inc. to be added to the County's pump and haul permit for a period of one year beginning June 27, 2005. The members were polled:

D. M. Sparks	Aye
James H. Burrell	Absent
Stran L. Trout	Aye
Mark E. Hill	Aye
W. R. Davis, Jr.	Aye

The motion carried.

Chester "Chip" Alvis of C & A Land Development LLC requested that property he owns along Route 106 be added to the County's pump and haul permit until sewer service is available. He anticipates constructing a body shop collision center that will employ 6 - 10 workers and expects to pump one time a month. He feels that it is unreasonable to install a septic system when sewer may be available to the area.

Mr. Hill moved to approve the request of C & A Land Development LLC to be added to the County's pump and haul permit for a period of one year beginning June 27, 2005. The members were polled:

James H. Burrell	Absent
Stran L. Trout	Aye
Mark E. Hill	Aye
D. M. Sparks	Aye
W. R. Davis, Jr.	Aye

The motion carried.

Mr. Alvis explained to the Board that many of the businesses that are currently located in the Roxbury Industrial Park in Charles City County chose that location because of the availability of small lots. Some of them have expressed interest in relocating to Route 106, closer to I-64, if small lots were available there. Mr. Alvis described these as employee-rich businesses that would be servicing the area. He emphasized that

there is a demand for sites and asked the Board to consider providing sewer service to the area.

George Hill of Arrow Dynamics requested the Board to permit his business to be added to the County's pump and haul permit. His property is adjacent to Mr. Alvis' and construction of his building is expected to be completed within 2 – 3 weeks. He did not want to put in a septic system if sewer is going to be available and he is fine with the one year period. His business will sell used trucks.

Mr. Sparks moved to approve the request of Arrow Dynamics to be added to the County's pump and haul period for a period of one year, beginning June 27, 2005. The members were polled:

Stran L. Trout	Aye
Mark E. Hill	Aye
D. M. Sparks	Aye
James H. Burrell	Absent
W. R. Davis, Jr.	Aye

The motion carried.

IN RE: FINANCING FOR SCHOOL PROJECTS

Dan Siegel of Sands Anderson and R. T. Taylor of Davenport & Associates were present to review the latest School Capital Funding Analysis. Mr. Taylor reported that they had met with staff, the school superintendent and the finance director in preparing this analysis.

Mr. Taylor pointed out that the assumptions that were used for this analysis were: 1) existing debt has been established as the base-line debt service; 2) primary debt service for the primary school is already in place; 3) financing of the elementary school improvements in the sum of \$10,527,505 (increased from the previous \$10 million estimate) including \$7.5 million in early FY06 and the balance in mid FY06; 4) assume Literary Loan financing of up to \$7.5 million per project amortized over 20 years at 4% on a level principal basis for all school projects; 5) balance of funding required for the high school assumed to be amortized over 20, 25 and 30 years at a 5.5% level debt service basis; 6) finance the construction of a bus garage in the amount of \$2.3 million in early FY06; and 7) the FY05 value of a penny in real estate tax rate is \$133,000 with an assumed growth rate of 5% per year.

The scenarios that included financing of the primary school debt only, primary and elementary school debt only, and debt for the primary and elementary school projects as well as the bus garage debt, taking into account revenues dedicated from off-track betting and the meals tax, had no impact on the real estate tax rate. Adding in the financing of the high school results in a 19.3¢ impact with a 20-year debt; 17.4¢ with a 25-year debt; and 16.1¢ for a 30-year debt. Removal of the meals tax and off-track betting revenues resulted in tax impacts of 21.1¢ for a 20-year debt; 19.2¢ for a 25-year debt; and 17.9¢ for 30 year debt.

In summary, it was the consultants' opinion that the County has the capacity to absorb the costs of the primary and elementary school projects and the bus garage without an increase to the tax rate. The \$38 million high school would result in a tax impact between 16¢ and 21¢.

It was pointed out that this did not take into account the build-out of the Sheriff's Department or any operating costs. It is a conservative analysis, based on slow growth with no consideration of proffers. Mr. Budesky reported that the County Attorney is in the process of obtaining proffer information from other localities.

Mr. Trout inquired about the loan rates. Mr. Taylor indicated that interest on the Literary Loan is 4% and the other interest rates would depend on the market.

Mr. Budesky indicated that in order to have the financing place, the County will need to issue RFPs to solicit those interested in providing bonds. He explained that two different terms will be advertised. The goal is to issue the RFPs and have responses be considered by the Board at the end of July. He reminded that the improvements at the elementary school and construction of the bus garage are pending, and the County is just 12 months away from looking at financing for the high school.

Mr. Hill asked about rolling all of the loans into one. Dan Siegel stated that one option has the elementary school, primary school and bus garage rolled into one loan. Mr. Budesky indicated that EDA financing for the first \$10 million may provide a better interest rate. Mr. Siegel stated that the County could also opt to finance the architectural costs for the high school to avoid having to pay for those from the General Fund. It was noted that \$38 million has been used as the cost of the new high school, but that figure could be more or less.

Mr. Hill asked if \$1.1 million would cover the cost of converting the current high school to a middle school. Mr. Budesky stated that would be at least 1 ½ - 2 years from now.

Mr. Trout moved that the County issue a Request for Proposal for financing for the elementary school renovations and construction of the bus garage.

Mr. Davis asked if this was for interim or permanent financing. Mr. Siegel stated that the County would use the Literary Loan funds once they are received to pay the interim loan. He will come back to the Board at the July work session to review the rates and to request approval. There was discussion about how the RFPs should be worded in order that the County can select the "best value" and not necessarily the lowest rate. Ms. Katz stated that she would work with Mr. Siegel on that.

The members were polled:

Mark E. Hill	Aye
D. M. Sparks	Aye
James H. Burrell	Absent
Stran L. Trout	Aye
W. R. Davis, Jr.	Aye

The motion carried.

IN RE: CABLE FRANCHISE COMMITTEE

Mr. Budesky reported that Mr. Trout has been actively working on the Cox Cable franchise renewal process. Between now and August 16 the County has to commence or show its intent to commence negotiations on the renewal. A Needs Assessment and Performance Evaluation need to be conducted. Although this can be done by two separate committees, he suggested that only one committee be established to handle both processes. He suggested a representative from each district, to be augmented by some at large members, as well as him and Ann Neil Cosby. He indicated that the Board should look for a representative group, and it would help if they had some special interest or knowledge. Mr. Trout suggested pulling from the school system and emergency services as well. Mr. Budesky estimates that the committee will meet two times a month over the next six month period.

There was general discussion about problems encountered with Cox Cable, including service areas, services, pole height and customer service.

The Board members were asked to consider who they want as members of this committee.

IN RE: MEETING SCHEDULE

Chairman Davis announced that the next regular meeting of the Board of Supervisors will be held on July 11, 2005, at 6:00 p.m. in the Boardroom of the County Admin Building.

IN RE: CLOSED SESSION

Mr. Sparks moved to go into closed session to discuss a personnel matter pursuant to Section 2.2-3711A.1 of the Code of Virginia involving an employee and for consultation with legal counsel pursuant to Section 2.2-3711A.7 of the Code of Virginia regarding specific legal matters that require advice. The members were polled:

D. M. Sparks	Aye
James H. Burrell	Absent
Stran L. Trout	Aye
Mark E. Hill	Aye
W. R. Davis, Jr.	Aye

The motion carried. The Board went into closed session. Mr. Sparks moved to emerge from closed session. The members were polled:

James H. Burrell	Absent
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Stran L. Trout	Aye
Mark E. Hill	Aye
D. M. Sparks	Aye
W. R. Davis, Jr.	Aye

Mr. Sparks made the following certification:

Whereas, the New Kent County Board of Supervisors has convened a closed session 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 the Board that such closed session was conducted in conformity with Virginia law;

Now, there, be it resolved that the Board hereby certifies that to the best of each member's knowledge (i) only public business matters lawfully exempted from open session requirements by Virginia law were discussed in closed session to which this certification resolution applies and (ii) only such public business matters as were identified in the motion convening the closed session were heard, discussed or considered by the Board.

Chairman Davis inquired whether there was any member who believed that there was a departure from the motion. Hearing none, the members were polled on the certification:

Stran L. Trout	Aye
Mark E. Hill	Aye
D. M. Sparks	Aye
James H. Burrell	Absent
W. R. Davis, Jr.	Aye

The motion carried.

IN RE: SOCIAL SERVICES BOARD

Mr. Sparks moved that the Board authorize that an ordinance changing the Social Services Board from Administrative to Advisory be advertised for public hearing at the August meeting. The members were polled:

Mark E. Hill	Aye
D. M. Sparks	Aye
James H. Burrell	Absent
Stran L. Trout	Aye
W. R. Davis, Jr.	Aye

The motion carried.

IN RE: ADJOURNMENT

There being no further business, Mr. Hill moved to adjourn. The members were polled:

D. M. Sparks	Aye
James H. Burrell	Absent
Stran L. Trout	Aye
Mark E. Hill	Aye
W. R. Davis, Jr.	Aye

The motion carried. The meeting was adjourned at 9:45 p.m.
