

At a regular meeting of the Southampton County Board of Supervisors held in the Board Room of the Southampton County Office Center, 26022 Administrative Center Drive, Courtland, Virginia on January 26, 2009 at 6:00 PM

SUPERVISORS PRESENT

Dallas O. Jones, Chairman (Drewryville)
Walter L. Young, Jr., Vice-Chairman (Franklin)
Walter D. Brown, III (Newsoms)
Carl J. Faison (Boykins-Branchville)
Anita T. Felts (Jerusalem)
Ronald M. West (Berlin-Ivor)
Moses Wyche (Capron)

SUPERVISORS ABSENT

None

OTHERS PRESENT

Michael W. Johnson, County Administrator (Clerk)
James A. Randolph, Assistant County Administrator
Julia G. Williams, Finance Director
Robert L. Barnett, Director of Community Development
Julien W. Johnson, Jr. Public Utilities Director
Richard E. Railey, Jr., County Attorney
Susan H. Wright, Administrative Secretary

Chairman Jones called the meeting to order, and after the *Pledge of Allegiance*, Vice-Chairman Young gave the invocation.

Regarding organizational matters, Mr. Michael Johnson, County Administrator, announced that as they knew, state statutes required each local governing body to resolve certain organizational matters at its first meeting each year. The first order of business was election of the chairman and vice-chairman. If the board failed to designate the term of office, it was presumed, by law, that each was elected for a one-year term or until a successor of each had been elected. Chairmen and vice-chairmen may succeed themselves in office. A copy of the statute was included in the agenda.

Mr. Johnson opened the floor for nominations for Chairman.

Vice-Chairman Young moved, seconded by Supervisor Felts, to nominate Dallas O. Jones as Chairman. Supervisor Wyche moved, seconded by Vice-Chairman Young, to close the nominations. All were in favor and Dallas O. Jones was reelected as Chairman.

Mr. Johnson opened the floor for nominations for Vice-Chairman.

Supervisor Felts moved, seconded by Supervisor West to nominate Walter L. Young, Jr. as Vice-Chairman. Supervisor Wyche moved, seconded by Supervisor West, to close the nominations. All were in favor and Walter L. Young, Jr. was reelected as Vice-Chairman.

Mr. Johnson turned the meeting back over to Chairman Jones.

Chairman Jones and Vice-Chairman Young thanked the Board for having confidence in them.

Mr. Johnson advised that the second order of business was to establish the days and times for regular monthly board meetings. The resolution included in the agenda was consistent with past policy of the Board which was the fourth Monday of each month except for May (to avoid a conflict with Memorial Day) and December (meeting was moved to the third Monday in observance of Christmas). Times had previously alternated monthly at 8:30 AM and 6:00 PM.

Mr. Johnson read aloud the following resolution:

BE IT RESOLVED by the Southampton County Board of Supervisors that the following days and times are hereby prescribed for regular session meetings to be held at the Southampton County

Office Center:

Monday, February 23, 2009	8:30 AM
Monday, March 23, 2009	6:00 PM
Monday, April 27, 2009	8:30 AM
Tuesday, May 26, 2009	6:00 PM
Monday, June 22, 2009	8:30 AM
Monday, July 27, 2009	6:00 PM
Monday, August 24, 2009	8:30 AM
Monday, September 28, 2009	6:00 PM
Monday, October 26, 2009	8:30 AM
Monday, November 23, 2009	6:00 PM
Monday, December 21, 2009	8:30 AM

AND BE IT RESOLVED that a regular meeting shall be continued to the next following regular business day if the Chairman, or Vice-Chairman in his absence, finds that inclement weather or other conditions are such that it is hazardous for members to attend.

Vice-Chairman Young moved, seconded by Supervisor Brown, to adopt the resolution. All were in favor.

Mr. Johnson advised that it was also necessary that the Board establish the holiday schedule for county employees. The following list was consistent with past policies of the Board as well as with that for state employees.

Mr. Johnson read aloud the following resolution:

WHEREAS, it is the policy of the Commonwealth of Virginia to fix and set aside certain days in the calendar year as legal holidays for the people of Virginia to honor and commemorate such holidays so established; and

WHEREAS, the following days have been established by the Commonwealth as legal holidays pursuant to § 2.2-3300, *Code of Virginia*.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of Southampton County that the following holidays shall be recognized and observed by all county agencies:

Monday, February 16, 2009	President's Day
Monday, May 25, 2009	Memorial Day
Friday, July 3, 2009	Independence Day Holiday
Monday, September 7, 2009	Labor Day
Monday, October 12, 2009	Columbus Day
Wednesday, November 11, 2009	Veteran's Day
Thursday, November 26, 2009	Thanksgiving Day
Friday, November 27, 2009	Thanksgiving Holiday
Friday, December 25, 2009	Christmas

Vice-Chairman Young moved, seconded by Supervisor Brown, to adopt the resolution. All were in favor.

Chairman Jones sought approval of the minutes of the December 15, 2008 regular session. They were approved as presented, as there were no additions or corrections.

Regarding highway matters, Chairman Jones recognized Mr. Joe Lomax, Residency Administrator of the Virginia Department of Transportation (VDOT) Franklin Residency.

Mr. Lomax advised that crews were preparing for possible inclement weather and were continuing with day-to-day operations.

Vice-Chairman Young asked about the status of Edgehill. Mr. Lomax advised that they were working on right-of-way acquisitions. However, everything was contingent on funding.

Vice-Chairman Young advised that he received several calls regarding water standing in the road

in the curve on Delaware Road between Route 671 and the railroad track. Water stood in the road there frequently, even when it had not recently rained.

Supervisor Brown advised that on Sunbeam Road, between Woodland Road and Monroe Road, whenever it rained there was a big flood there. He did not know what was causing it, but it was pretty deep the last time.

Supervisor Brown asked, in lieu of budgetary constraints, what was the status of the Courtland overpass? Mr. Lomax replied that \$15 million for the overpass had been removed from the current Six Year Plan. They would start to look at other alternatives besides an overpass.

Supervisor West informed that the ditch behind Ivor Furniture, which connected Broadwater and Proctors Bridge was full.

Chairman Jones advised that the crossover in front of Tennessee Road filled up with water whenever it rained and stayed there for days. He asked Mr. Lomax to give him a call when he was in that area on Thursday and he would meet him out there.

Mr. Johnson advised that regarding the highway abandonment of a portion of Route 622 near Zuni, Supervisor West had asked that it be carried over one more month. He had had some contact with one property owner and was waiting to contact the other.

Mr. Johnson advised that in regards to the Laurel Street Rural Addition (Town of Courtland) that was briefly discussed last month, eventually a resolution would be required from the Board of Supervisors, but Mr. Jerry Kee, Assistant Residency Administrator of the VDOT Franklin Residency, had informed him that utility relocation issues must first be resolved by the Town of Courtland. Apparently, overhead power lines were located in the highway right-of-way and must be relocated before VDOT could consider taking the street into the secondary system.

Regarding reports, various reports were received and provided in the agenda. They were Financial, Sheriff's Office, Animal Control, Litter Control, Communication Center Activity Report, Traffic Tickets, and Building Permits. Also, New Housing Starts, Treasurer's Office, Delinquent Tax Collection, EMS and Fire Department Activity, Solid Waste Quantities, and Personnel.

In regards to the Animal Control report, Supervisor Brown noticed that one cat was handled, and asked for clarification on that.

Sheriff Vernie Francis clarified that animal control only handled cats when there was a cat bite and the animal had to be quarantined for 10 days. They only had one cat cage and their facility was inadequate to handle cats.

In regards to the Treasurer's Office report, Mr. David Britt, Treasurer, reported that 92% of real estate taxes and 84% of personal property taxes had been collected. He noted that citizens often waited to pay their personal property taxes when purchasing their vehicle decals.

Supervisor West asked how did the collection of taxes compare to past years? Mr. Britt replied that he had not had a chance to look at those numbers, but he thought it was pretty close to that of past years.

In regards to the personnel report, Mr. Johnson advised that William R. Hardy was hired in the Sheriff's Office as a deputy effective 12/15/08 at an annual salary of \$29,843. Robert M. Carr was hired in the Sheriff's Office as a dispatcher effective 01/01/09 at an annual salary of \$27,068. David L. Joyner, Sr. was hired in Public Utilities effective 01/05/09 at an annual salary of \$25,780. He informed that Susan M. Kaplan of the Sheriff's Office resigned from the Sheriff's Office effective 12/31/2008. He stated that Douglas M. Ottmers of the Sheriff's Office and Arthur L. Banks of Public Utilities were separated effective 12/11/2008 and 12/22/2008 respectively. He advised that J. Michael Blythe of the Sheriff's Office was on active military leave effective 07/09/08.

Moving to appointments, Mr. Johnson announced that included in the agenda was correspondence from the Tidewater Emergency Medical Services (TEMS) Council seeking a nomination to the

TEMS Board of Directors. Mr. Robert Grizzard (Berlin-Ivor) had represented Southampton County since 2003 and was eligible for reappointment. Mr. Grizzard attended 7 of 8 meetings last year. Recent health concerns notwithstanding, Mr. Grizzard had expressed an interest in continuing to serve.

Supervisor West moved, seconded by Supervisor Wyche, to nominate Mr. Robert Grizzard to another 2-year term on the TEMS Council. All were in favor.

Moving forward, Mr. Johnson announced that included in the agenda was a copy of a recent proposal from ReEnergy Holdings LLC to privatize the solid waste management system currently owned and operated by SPSA. Among other things, the proposal provided for an agreement with SPSA to acquire all of its assets (in exchange for retirement of all SPSA debt) in addition to separate agreements with the 8 member communities for long-term (20 years) waste disposal services (at roughly 40% less than the current prevailing rates.) In order for the proposal to be accepted, it must be approved by the SPSA Board of Directors as well as the governing bodies of each of the 8 respective member communities. He advised that he had invited Mr. Larry Richardson, Principal/Executive Office of ReEnergy Holdings, LLC to Monday's meeting to discuss the proposal in some detail and answer any questions. At the end of his presentation, he would seek the Board's consideration of a nonbinding letter (page 23 of his proposal) of interest to pursue further discussions with his company.

Mr. Johnson informed that also included in the agenda was a copy of a response from SPSA's Board which expressed a number of concerns, including:

- Acceptance of the proposal may unwittingly create a private monopoly for waste disposal services in southside Hampton Roads;
- Consideration of the proposal at this point may adversely impact consideration of competing proposals from two other private companies that seek to acquire SPSA's waste-to-energy plant in Portsmouth;
- Consideration of the proposal is premature and should first be considered (and endorsed by) the 8 member communities; and
- The proposal is inconsistent with the recently-released study by the Hampton Road Planning District Commission which concludes that maintenance of a regional authority is a logical approach to managing the region's waste post-2018.

Finally, also included in the agenda were a couple of recent editorials for their reference – one from the *Virginian Pilot* and another from the *Tidewater News*.

Mr. Johnson advised that Mr. Vince Mastracco, Attorney with Kaufman & Canoles, was also present.

Chairman Jones recognized Mr. Larry Richardson, Principal/Executive Officer of ReEnergy Holdings, LLC and Mr. Vince Mastracco, Attorney with Kaufman & Canoles.

Mr. Vince Mastracco of Kaufman & Canoles advised that early last year, SPSA received a PPEA proposal. ReEnergy then submitted a competing written proposal in August. SPSA executives told them to go away. ReEnergy came back and wanted to have a dialogue with SPSA and SPSA executives told them to go away again. Then SPSA said that if the member communities wanted them to talk to ReEnergy, then they would.

(Note: Supervisor Faison arrived at this time.)

Mr. Larry Richardson of ReEnergy advised that they were looking at purchasing and operating SPSA from a member community perspective. They recommended privatizing the entire system because it would provide the best service to the region. He noted that SPSA wanting to sell just the waste-to-energy plant would still leave a lot of debt. ReEnergy would bring private capital, new technology, recycling, and improvement of the environmental footprint. Although ReEnergy was a relatively new company, their people were very experienced in the solid waste business. They proposed to purchase all assets at a purchase price of \$205 million, assume all liabilities with the Suffolk landfill, and enter into waste service agreements. The member communities would pay a tipping fee based on the amount of waste that went into the system. This would provide an incentive to recycle more. The defined tipping fee, which would be based on a defined index,

would provide predictability and stability. They proposed to bring all member communities to the same tipping fee level. Suffolk and Virginia Beach would have to be ramped up, while the other communities would go down. There would be a host community agreement, but Suffolk would still have to pay a tipping fee. ReEnergy would invest \$40 million of improvements, primarily to the waste-to-energy plant, thereby increasing productivity and reducing ash. They planned to target the recovery of wood from construction debris and to preserve space at the Suffolk landfill.

Mr. Richardson continued that this arrangement could be implemented quickly and possibly put in place by June 30 of this year. They would like access to SPSA facilities and documents in order to finalize their financial proposals. At that point, the member communities could make an informed decision. Timing was critical. They were proposing a potential solution to SPSA's problems.

Supervisor Brown asked what were the benefits of hosting a landfill? Mr. Richardson replied that it was not a break-even. He noted that the liability for closing the landfill in Suffolk was solely Suffolk's.

Supervisor Brown asked what would be the length of the agreements with member communities? Mr. Richardson replied 20-year agreements – that would provide the best benefits for both sides.

Supervisor Faison apologized for arriving late.

Mr. Richardson clarified for Supervisor Faison that they would not put out the final tipping fee number until they obtained more information from SPSA.

Supervisor Brown advised that if the Board was going to give ReEnergy permission to negotiate with SPSA, he did not think the purchase price should be included. Attorney Railey agreed. Mr. Richardson stated that was ok with them – they were not asking them to approve a purchase price this evening.

Supervisor West asked Mr. Richardson if ReEnergy had other waste operations? Mr. Richardson replied not, but they had a rich background. Mr. Richardson confirmed for Supervisor West that ReEnergy's headquarters were in upstate New York. He clarified that they thought there was enough local trash and would not be looking to bring in out-of-state trash.

Supervisor West stated that it was not enough information for him to make a decision tonight. It scared him that ReEnergy was not in the waste business. Mr. Richardson advised that they were not looking for a decision tonight – they were asking for access to people, facilities, and documents so they could finalize their proposal.

Supervisor Felts asked if the contracts with the member communities could be less than 20 years? Mr. Richardson replied that they were looking at 20-year contracts to provide the most benefits to everyone. Mr. Richardson clarified for Supervisor Felts that they would adjust the tipping fee based a published index, so there would not be any surprises.

Chairman Jones pointed out that they were offering to purchase SPSA for \$205 million, but SPSA's debt was \$240 million. Mr. Richardson advised that they would be willing to adjust their purchase price in order to retire all of SPSA's debt.

Supervisor Brown advised that he was strongly in favor of ReEnergy talking to SPSA.

Mr. Richardson was essentially seeking the Board's consideration of the following nonbinding letter (page 23 of his proposal) of interest to pursue further discussions with his company:



Exhibit 1 – Letter of Interest

[LETTERHEAD OF MEMBER COMMUNITY]

[Date]

Kaufman & Canoles
150 West Main Street
Suite 2100
Norfolk, VA 23510

Attn: Vincent Mastracco, Jr. Esq.

Gentlemen:

Reference is hereby made to the Proposal to the Southeastern Public Service Authority (SPSA) and its Member Communities dated December 2008 by ReEnergy Holdings LLC (ReEnergy) for the privatization of the solid waste management system currently owned and operated by SPSA and for new Waste Services Agreements with SPSA's Member Communities.

The [name of Member Community] has reviewed the Proposal, and this letter will confirm our interest in pursuing further discussions with ReEnergy to determine whether we can reach mutually agreeable terms on the agreements described in the Proposal. To that end, we hereby confirm our interest in:

- SPSA providing ReEnergy with access to documents, information, individuals and sites to allow ReEnergy to conduct (a) its due diligence review of operational, financial and legal information, (b) site and equipment inspections, and (c) interviews of SPSA management, employees, consultants and advisors.
- The proposed structure for a new Waste Services Agreement as described in the Proposal.

If the parties reach agreement on the terms of the agreements relating to ReEnergy's acquisition of SPSA's assets as described in the Proposal, we acknowledge our support for ReEnergy receiving an allocation of the state volume cap for private activity bonds in the amount needed for ReEnergy to issue new tax-exempt bonds to repay SPSA's outstanding debt.

We encourage all parties to cooperate and work in good faith to explore and negotiate for ReEnergy's acquisition of the SPSA assets, the repayment of SPSA's outstanding debt and the execution of new agreements, all as described in the Proposal.

Very truly yours,

[Title]

Supervisor Brown moved, seconded by Supervisor Wyche, to authorize Chairman Jones to sign the letter included on page 23 of the proposal. All were in favor.

Proceeding to the public hearing, Mr. Johnson announced that the first and only public hearing was to consider the following:

REZ 2008:06 Application filed by Hubbard Peanut Company, Incorporated on behalf of Carolyn Ellis Tart, owner, requesting a change in zoning classification from R-1, Residential to C-M1, Conditional Limited Industrial approximately one (1) acre for the purpose of industrial uses, as conditioned. The property is located on the north side of Sycamore Avenue (Rt. 641) and is further identified as Tax Parcel Number 47A2-6-1. The property is located in the Jerusalem Magisterial District and Jerusalem Voting District.

Mr. Jay Randolph, Assistant County Administrator and Secretary to the Planning Commission, reported that the Planning Commission held a public hearing on this application at its December 11, 2008 meeting. Due to the acreage being incorrect and the absence of a site plan, the Commission resolved to hold another public hearing at its January 8, 2009 meeting. At that meeting, the Commission unanimously voted to recommend approval of the application, subject to all voluntary proffers.

The applicant had proffered to utilize only the following eight (8) permitted uses in the M-1:

- (16) Contractor's equipment storage yard or plant or rental of equipment commonly used by contactors

- (26) Food products, candy, chewing gum, cocoa, coffee, tea and spices, beverage blending or bottling, bakery products, dairy products, cheese and ice cream, oleomargarine, fruit and vegetable processing and canning, but not distilling of beverages or slaughtering of animals
- (26.1) General advertising sign, limited in area to two hundred (200) square feet and to a height of twenty-five (25) feet, with a special exception.
- (28) Greenhouses, commercial, wholesale or retail
- (38) Machine shop
- (41) Nursery for growing plants, trees and shrubs
- (45) Pottery and figurines or similar ceramic products and kilns (fired by electricity or gas only)
- (62) Warehouses, wholesale houses and distributors, wholesale market

Chairman Jones opened the public hearing.

Mrs. Lynne Rabil of Hubbard Peanut Company, applicant, addressed the Board. She stated that she hoped they would act favorably upon her request.

Supervisor Brown thanked Mrs. Rabil for her innovativeness.

Supervisor Felts asked if the alley/street on the property had been abandoned? Mr. Johnson, County Administrator, advised that the survey showed the street closed.

Chairman Jones closed the public hearing.

Supervisor Felts moved, seconded by Vice-Chairman Young and Supervisor Brown, to accept the Planning Commission's recommendation and approve the rezoning, subject to all voluntary proffers. All were in favor.

Moving to financial matters, Mr. Johnson announced that included in the agenda was an appropriations resolution with total appropriations of \$778,915.14. The appropriation was entirely related to the School Fund and consisted of a myriad of expenditure refunds, reimbursements, donations, grants, deferred revenues and interfund transfers. A full breakdown of these items was included in the agenda. No new money was required.

The appropriations resolution is as follows:

APPROPRIATIONS - JANUARY 26, 2009

NO NEW LOCAL FUNDS

SCHOOL BOARD

- (1) Reimbursements from retirees for health insurance premiums--see attached letters
- (2) E-Rates reimbursement received--see attached Letter
- (3) Donations received--see attached letters
- (4) Expenditure refunds received--see attached Letters
- (5) Deferred revenue brought forward from FY 2008--grants and state funds earmarked for special

programs--see attached letter

(6) Transfer of funds from School Operating to
Program 330--see attached letter

At a meeting of the Board of Supervisors of Southampton County,
Virginia on Monday, January 26,
2009

RESOLUTION

BE IT RESOLVED by the Board of Supervisors of Southampton County,
Virginia that the following appropriations be and hereby are made
for the period of July 1, 2008 through June 30, 2009 for the function and
purpose indicated:

From the General Fund to the
School
Operating Fund to be expended only
on order of the Southampton County
School Board:

4-205-61100-3000-002-5-100	OTHER INSTRUCTIONAL COSTS-OTHER	525.00
61100-3000-002-9-100	OTHER INSTRUCTIONAL COSTS-DISTRICT ELEM	(5,800.00)
61100-6000-003-5-100	MATERIAL & SUPPLIES-OTHER	735.53
61100-6008-003-1-100	PROJECT GRADUATION ACADEMY-STATE	8,500.00
62120-2300	HOSPITALIZATION	623.00
62120-2350	RETIREE HEALTH INS PREMIUMS	9,174.00
62120-2350	RETIREE HEALTH INS PREMIUMS	7,630.00
62120-2350	RETIREE HEALTH INS PREMIUMS	6,835.00
62120-2350	RETIREE HEALTH INS PREMIUMS	9,110.00
62120-2350	RETIREE HEALTH INS PREMIUMS	9,110.00
62120-2350	RETIREE HEALTH INS PREMIUMS	10,217.00
62120-2350	RETIREE HEALTH INS PREMIUMS	1,657.00
62120-2350	RETIREE HEALTH INS PREMIUMS	1,106.00
63200-6009	VEHICLE & POWERED EQUIP-SUPPLIES	4,192.12
64200-5201	POSTAL SERVICES	1,062.68
64200-5202	TELECOMMUNICATIONS	20.00
64300-3320	MAINTENANCE SERVICE CONTRACTS	1,681.33
64400-3320	MAINTENANCE SERVICE CONTRACTS	1,214.03
64500-3310	REPAIRS & MAINTENANCE SERVICES	28,230.00
68100-5001-09- -100	TELECOMMUNICATIONS	62,906.98
68100-5001-09- -100	TELECOMMUNICATIONS	86,668.80
	TOTAL	<u>245,398.47</u>

NOTTOWAY DAY CARE, PROGRAM 226

4-205-61100-1140-002-1-226	TECHNICAL SALARIES	559.78
61100-1140-002-1-226	TECHNICAL SALARIES	773.53
61100-2100-002- -226	FICA	42.82
61100-2100-002- -226	FICA	59.02
	TOTAL	<u>1,435.15</u>

HONOR SCHOOL GRANTS, PROGRAM 250

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4-205-61100-5500-003-1-250	TRAVEL	1,250.00
61100-6000-003-1-250	MATERIALS & SUPPLIES	2,306.22
	TOTAL	<u>3,556.22</u>
RENTAL TEXTBOOKS, PROGRAM 260		
4-205-61100-6040-002-1-260	TEXTBOOKS	156,597.32
	TOTAL	<u>156,597.32</u>
TECHNOLOGY PLAN, PROGRAM 265		
4-205-61100-8200-002-1-265	CAPITAL OUTLAY-REG	90,346.03
	TOTAL	<u>90,346.03</u>
RACE TO GED, PROGRAM 270		
4-205-61100-6000-003-1-270	MATERIALS & SUPPLIES	20.54
	TOTAL	<u>20.54</u>
CAMP FOUNDATION GRANTS, PROGRAM 310		
4-205-61100-6004-002-1-310	EARLY CHILDREN'S LITERACY	71.30
	TOTAL	<u>71.30</u>
FRANKLIN SOUTHAMPTON CHARITIES, PROGRAM 320		
4-205-61100-1120-002-1-320	TUTORIAL SALARIES - MEHERRIN	1,295.00
61100-1121-002-1-320	TUTORIAL SALARIES - HUNTERDALE	187.50
61100-1122-002-1-320	TUTORIAL SALARIES - CAPRON	175.00
61100-3000-003-3-320	STUDENT COMPETITION COST C/T	7,000.00
61100-3001-002-5-320	EDDIE EAGLE GUN SAFETY	450.00
61100-6003-002-1-320	READING CENTER-HUNTERDALE	28,393.89
61100-6004-002-1-320	SUMMER READING PROGRAM	926.31
61100-6023-002-1-320	CAPRON HISTORY BOOKS	4,334.00
61100-8228-002-1-320	READ WITH ME-CAPRON 07/08	5,398.52
61100-6041-003-3-320	TECH CENTER EQUIP/SUPPLIES 05/06	5,250.06
61100-6044-003-3-320	TECH CENTER COMPETITION COSTS 05/06	2,041.18
61100-6045-003-3-320	TECH CENTER-STUDENT COMP FEES 07/08	7,000.00
61100-6050-003-3-320	TECH CENTER EQUIP & SUPP 06/07	94.73
61100-8200-003-3-320	TECH CENTER KIT/PLYGRD EQUIP 05/06	3,397.98
61100-8204-003-3-320	TECH CNTR TECHNOLOGY LAB EQUIP 05/06	10,478.30
61100-8205-003-3-320	CAPITAL OUTLAY/VT SMART BOARD	6.88
61100-8206-003-3-320	CAPITAL OUTLAY SHS BAND 06/07	16,610.55
61100-8212-003-1-320	SECURITY CAMERAS BUSES 07/08	10,210.50
61100-8213-003-1-320	HEART-BASED PHYS ED-SHS	28,000.00
61100-8214-003-3-320	COPIER/CAMCORDER & TRIPOD-T/C	113.78
61100-8231-002-1-320	SECURITY SURVEILLANCE SYSTEM-ELEM	50,000.00
61100-8225-003-1-320	BROADCAST DIST SYS-SMS 07/08	192.93
68100-6040-003-1-320	PLATA SOFTWARE SHS	59,800.00
	TOTAL	<u>241,357.11</u>
INTERNATIONAL PAPER GRANTS, PROGRAM 330		
4-205-61100-6004-002-1-330	HUNT SOL SCIENCE KITS 07/08	1,251.83
61100-6007-002-1-330	AR BOOKS CAPRON LIBRARY 07/08	16.71
61100-6008-002-1-330	TIME 4 LEARNING BOOKS 08/09	2,300.00
61100-6010-002-1-330	MEHERRIN BOOKS FOR CPR PROG 08/09	3,500.00

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	TOTAL	7,068.54
HUNTERDALE FAMILY PRESERVATION, PROGRAM 350		
4-205-61100-6000-002-1-350	MATERIAL & SUPPLIES-REG	2,713.50
	TOTAL	2,713.50
LOCAL DONATIONS, PROGRAM 360		
4-205-61100-6000-003-1-360	MAT'L & SUP - REG (MECH CORP)	169.48
	TOTAL	169.48
MENTOR PROGRAM PROJECT, PROGRAM 425		
4-205-61100-1620-003-1-425	SUPPLEMENTAL SALARIES-REG	29,491.86
	TOTAL	29,491.86
TITLE I ELEMENTARY INSTRUCTION, PROGRAM 500		
4-205-61310-3000-002-1-500	IN SERVICE-REG	65.12
	TOTAL	65.12
21ST CENTURY COMMUNITY LRN CNTR, PROGRAM 560		
4-205-61310-3000-002-1-560	PURCHASED SERVICE	112.00
	TOTAL	112.00
PRE-SCHOOL INCENTIVE, PROGRAM 900		
4-205-61100-5500-002-2-900	TRAVEL (MIL)-SP	512.50
	TOTAL	512.50
		=====
	TOTAL SCHOOL FUND	778,915.14
REVENUE APPROPRIATION JANUARY 2009		
(REVENUE RECEIVED FOR ABOVE EXPENDITURES)		
SCHOOL FUND		
3-205-16120-0010	DAY CARE CENTER	602.60
3-205-16120-0010	DAY CARE CENTER	832.55
3-205-18990-0032	INSURANCE CLAIMS & DIVIDENDS	9,174.00
3-205-18990-0032	INSURANCE CLAIMS & DIVIDENDS	28,230.00
3-205-18990-0032	INSURANCE CLAIMS & DIVIDENDS	7,630.00
3-205-18990-0032	INSURANCE CLAIMS & DIVIDENDS	7,458.00
3-205-18990-0032	INSURANCE CLAIMS & DIVIDENDS	9,110.00
3-205-18990-0032	INSURANCE CLAIMS & DIVIDENDS	9,110.00
3-205-18990-0032	INSURANCE CLAIMS & DIVIDENDS	10,217.00
3-205-18990-0032	INSURANCE CLAIMS & DIVIDENDS	5,849.12
3-205-18990-0032	INSURANCE CLAIMS & DIVIDENDS	1,106.00
3-205-18990-0100	EXPENDITURE REFUNDS	512.50
3-205-18990-0100	EXPENDITURE REFUNDS	1,681.33
3-205-18990-0100	EXPENDITURE REFUNDS	3,012.24
3-205-18990-0100	EXPENDITURE REFUNDS	9,025.00
3-205-18990-0100	EXPENDITURE REFUNDS	114.73

3-205-18990-0100	EXPENDITURE REFUNDS	65.12
3-205-18990-0100	EXPENDITURE REFUNDS	90,346.03
3-205-18990-0100	EXPENDITURE REFUNDS	112.00
3-205-18990-0101	DONATIONS	121,134.00
3-205-18990-0101	DONATIONS	1,268.54
3-205-18990-0101	DONATIONS	2,713.50
3-205-18990-0101	DONATIONS	71.30
3-205-18990-0101	DONATIONS	120,128.38
3-205-18990-0101	DONATIONS	169.48
3-205-18990-0200	E-RATES REFUND	62,906.98
3-205-18990-0200	E-RATES REFUND	86,668.80
3-205-24020-0915	MENTOR TEACHER PROGRAM	29,491.86
3-205-25020-0140	RENTAL TEXTBOOKS-260	156,597.32
3-205-25020-0475	HONOR SCHOOL GRANT - 250	3,556.22
3-205-25020-0480	RACE TO GED/PROG - 270	20.54
		=====
	REVENUE SCHOOL FUND	TOTAL 778,915.14

A copy teste: _____, Clerk
 Michael W. Johnson

Southampton County Board of Supervisors
 01/26/09

Vice-Chairman Young moved, seconded by Supervisor Felts, to adopt the appropriations resolution. All were in favor.

Mr. Johnson advised that bills in the amount of \$2,002,827.93 were received.

Vice-Chairman Young moved, seconded by Supervisor Felts, that the bills in the amount of \$2,002,827.93 be paid with check numbers 90486 through 91008. All were in favor of the motion.

Mr. Johnson informed that he would be sharing a brief presentation momentarily regarding preliminary FY 2010 revenue estimates as well as known and predictable expenditure increases. Included in the agenda was a proposed budget calendar and memorandum calling for estimates from various agencies, departments and organizations. The memorandum specifically requested each department, agency and organization to leave no stone unturned and no program unexamined as they seek to reduce their respective budgets. It further stated that it was the Board’s goal to balance the FY 2010 budget without a property tax increase (assuming that was, in fact, the Board’s goal.) Following his presentation, he would look for their guidance in requesting a specific percentage reduction.

Mr. Johnson read aloud the following budget calendar:

February		
2	5:00 PM	Operating budget request forms issued to county departments, community agencies and organizations
27	5:00 PM	County department budget forms and community agency funding requests due back to Finance Director
March		
23	7:00 PM	Advance public comment received during regular session of the Board of Supervisors
April		
8	6:30 PM	Initial budget work session – presentation of County Administrator’s recommended budget to Board of Supervisors

- 15 6:30 PM Budget work session with presentations by county departments and community agencies
- 22 6:30 PM Budget work session
- 27 8:30 AM Draft budget finalized during regular session

May

- 18 7:00 PM Public hearing on Board’s draft budget
- 20 6:30 PM Budget work session (if necessary)
- 26 6:00 PM Board of Supervisors adopts Fiscal Year 2009-10 annual budget
- 26 6:00 PM Board of Supervisors adopts 2009 calendar year tax rates

Vice-Chairman Young moved, seconded by Supervisors Brown and Wyche, to adopt the budget calendar and direct the call for estimates. All were in favor.

Mr. Johnson presented a brief PowerPoint presentation in which he provided the following updated budget summary:

Adopted Fiscal Year 2009 Budget

Revenue Sources

State	\$26,854,142
Federal	2,450,499
Local	<u>25,371,730</u>
TOTAL	\$54,676,371

Adopted Fiscal Year 2009 Budget

State Revenue

Schools	\$20,104,249
Constitutionals/Elections	3,750,353
Social Services	2,149,678
Contract Jail Beds	467,894
Other grants, programs	<u>381,968</u>
TOTAL	\$26,854,142

State Issues

- Dec. 17 – Governor Kaine announced a revised 2009-2010 budget shortfall of \$2.9 billion and rising
- Roughly \$1.1 billion of the shortfall occurs in FY 209 and The remaining \$1.8 billion will occur in FY 2010

Governor’s Balancing Act

	FY 2009	FY 2010
Projected Deficit	\$(1,137,900,000)	\$(1,763,500,000)
Rainy Day Fund	490,000,000	0
Convert Capital Projects to Debt	250,000,000	100,000,000
State Agency Cuts	278,900,000	392,700,000
Targeted Reductions	211,700,000	906,500,000
Utilize Literary Fund Balances	51,300,000	0
Utilize FY 2008 General Fund Balances	40,700,000	0
Delay Employee Pay Raises	44,400,000	197,800,000
Utilize FY 2009 General Fund Balances	37,900,000	(13,500,000)
Adjust K-12 Sales Tax	20,700,000	35,000,000
Reduce HB 599 Payments to Cities/Towns	7,700,000	14,400,000
Utilize Excess from Higher Education Tuition Moderation Fund	6,300,000	12,600,000
<u>Spending/Tax Adjustments</u>	<u>(118,600,000)</u>	<u>(54,100,000)</u>
	\$ 183,200,000	(172,100,000)

**Southampton County
State Funding for K-12 Education**

Budgeted FY 2009	20,104,249
Governor's Projected FY 2009	19,682,979
Shortfall 2009	(421,270)
% Change 2009	(2.10)
Governor's Projected FY 2010	18,232,903
Shortfall 2010	(1,871,346)
% Change 2010	(9.31)

Constitutional Officers FY 2010 State Funding Reductions

Sheriffs	(7%)
Commonwealth Attorneys	(7%)
Commissioners of the Revenue	(10%)
Clerks of Court	(10%)
Treasurers	(10%)

Adopted Fiscal Year 2009 Budget

Local Revenue

General Property Taxes	\$16,275,857
Building Fund Revenue	2,448,937
Other Local Taxes	1,534,000
Reserve	1,521,512
Water & Sewer Fees	1,159,315
Shared Revenue – Franklin	773,703
Fines & Forfeitures	534,778
School Food Sales	529,680
Charges for Services	355,398
Interest	120,000
Permits, fees, etc.	<u>118,550</u>
TOTAL	\$25,371,730

Budget Drivers

- FY 2009 local revenue estimates solid
- FY 2009 expenditure estimates solid with the exception of SPSA
- Virtually no growth projected in local revenue in FY 2010
- \$1.9 million less in state revenue next year
- Personnel – no salary increases projected for FY 2010
- Leave vacant positions unfilled (Planner)
- VRS – No increase projected for 2010
- Health insurance – still awaiting quote
- SPSA
- Local appropriation to Southampton County Schools – with state cuts, level local funding will result in total cuts of more than \$1.8 million for school operational funding

January 26, 2009

The memorandum calling for estimates is as follows:

MEMORANDUM

TO: Departments, agencies and organizations requesting county funding
BY: Mike Johnson, County Administrator
DATE: February 2, 2009
RE: Call for estimates – FY 2010

During its regular session on January 26, 2009 the Southampton County Board of Supervisors directed me to issue this call for estimates for FY 2009-10 from each agency, department and organization which has historically received funding from Southampton County.

As I write, the U.S. economy continues to weaken with the housing slowdown now spreading to many other sectors of the economy. Most economic forecasts anticipate that tight credit conditions will result in an even deeper downturn in housing, while cautious and wary consumers are expected to drag the U.S. economy into its longest and most severe recession since 1982. This is a time of tremendous economic challenge for our nation, our state, and our county.

As you've undoubtedly read in the local newspaper, the recession is already hitting families and businesses right here at home and the anticipated slowdown in projected revenue for our local government is a reflection of the challenges they face. Citizens and businesses are tightening their belts, looking for savings, and spending only on those things that are most critical. Government should do the same.

As I prepare the FY 2010 draft budget, I'd prefer to avoid across-the-board cuts in favor of a more targeted approach – for this, I'll need your help. I'm asking each department, agency, or organization to leave no stone unturned and no program unexamined as you look for ways to reduce your respective budget. Targeted cuts notwithstanding however, all budget requests should reflect at least a _____% reduction. It is the stated goal of the Board to keep the county budget balanced without a property tax increase and without compromising the core services that Southampton County residents depend on.

Please find a computer spreadsheet attached which details your respective FY 07 and FY 08 expenditures by line item, your FY 09 budgeted funds, and your FY 09 actual expenditures through December 2008. Please complete the column which is headed "**DEPARTMENT REQUEST.**"

If your agency or organization receives a lump-sum appropriation and funds are not appropriated by line item, you do not need to complete the form; a simple letter of request returned to my attention will suffice.

Please note that all funding requests are due back to me by close of business on **Friday, February 27, 2009.**

For your reference, I am also attaching a FY 2010 budget calendar. The board of supervisors will listen to oral presentations from departments/agencies/organizations on Wednesday, April 15 beginning at 6:30 PM. **Please notify Mrs. Julia Williams at 653-3015 by close of business on April 13 if you wish to make a presentation.** Oral presentations are not required but provide an opportunity for dialogue with the board.

If you have any questions, or if I may be of assistance, please let me know.

Mr. Johnson asked for guidance in requesting a specific percentage reduction in the memo.

Supervisor Brown advised that he did not think they could dictate an arbitrary percentage because they did not know the situations of the departments. He did not want anyone to be laid off in order for the percentage reduction to be met. He personally would take a cut in his salary in order to help prevent someone from being laid off.

Mr. Johnson advised the Board that considering the reduction in state funding, a ball park percentage in which the budget would need to be reduced was about 4%.

Chairman Jones stated that he thought they should request departments to reduce their budget by 4%.

Supervisor Brown disagreed. He asked, what if 4% was not enough? Their budgets may have to end up being reduced 4% - 6%, so why not indicate that range in the memo? Supervisor West agreed with Supervisor Brown in that we should let the departments know that the budget may have to be reduced as much as 6%.

Supervisor Brown advised that some people were going to have to take salary cuts in order for everyone to make it through these tough economic times.

After continued discussion, it was ultimately consensus of the Board to request a 5% reduction in the memo to the departments.

Moving forward, Mr. Johnson announced that included in the agenda was a brief report from the Hon. David K. Britt, County Treasurer, as it related to his delinquent tax collection efforts. Mr. Britt had requested a few brief moments to present the report and answer any questions.

Chairman Jones recognized Mr. David Britt. Mr. Britt presented a brief PowerPoint presentation outlining his report. He shared the following information:

Files Turned Over to the Law Firm of Kaufman & Canoles

	<u>2007</u>	<u>2008</u>
Files Turned Over to K&C	176	
Filed Returned to County	33	
Files Paid in Full	67	
Bankruptcy Files	3	
Current Collection Files	18	
Current Suit Files	24	
Ready for Hearing to Authorize Sale	11	
Files Remaining with Issues	10	
Properties Sold at Auction	4	17

Revenue Collected for Southampton County

	<u>2007</u>	<u>2008</u>
Funds Disbursed from Auction	\$2,505.47	\$17,854.92
Total Disbursed from Collections	\$156,713.99	\$32,492.85
Grand Total Disbursed to Southampton County (includes collections, suits & auctions)	\$159,219.46	\$50,344.77
Surplus from Auction (pending 2 years)	\$91,164.30	\$93,705.44
Grand Possible Total 2007/08	\$394,436.97	

Mr. Britt clarified that he did not turn over any accounts to Kaufman & Canoles in 2008 because he wanted to see how they were going to do with the 2007 accounts.

The Board thanked Mr. Britt for his efforts.

Moving forward, Mr. Johnson announced that included in the agenda was correspondence from the North Carolina & Virginia Railroad, Inc., requesting adoption of a resolution supporting state funding for rehabilitation of its rail line in Virginia, south of Boykins. Funds were appropriated by the Commonwealth Transportation Board to the Virginia Department of Rail and Public

Transportation for this purpose, following a resolution of support by the local governing body. A sample resolution was included in the agenda.

Mr. Johnson read aloud the following resolution:

North Carolina & Virginia Railroad

WHEREAS, the North Carolina & Virginia Railroad desires to file an application with the Virginia Department of Rail and Public Transportation for safety and improvement projects; and

WHEREAS, the General Assembly, through enactment of the Budget Bill, provided funding for acquisition, lease or improvement of railways with the Rail Preservation budget; and

WHEREAS, the North Carolina & Virginia Railroad is an important element of the Southampton County transportation system and is instrumental in economic development while providing relief to the highway system by transporting freight by an alternate means; and

WHEREAS, Southampton County supports the project and the retention of rail service; and

WHEREAS, the Commonwealth Transportation Board had established procedures for all allocation and distribution of funds by the General Assembly.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors for the County of Southampton, Virginia, does hereby request the Virginia Department of Rail and Public Transportation to give consideration to the projects proposed by the North Carolina & Virginia Railroad.

Passed, this day of _____.

Supervisor Faison moved, seconded by Supervisor Felts, to adopt the resolution. All were in favor.

Moving forward, Mr. Johnson announced that included in the agenda was a resolution which offered specific budget and revenue recommendations to Governor Kaine and our General Assembly delegation. The recommendations were taken from a VACo model resolution and provided that:

- 1) The state budget include appropriate withdrawals from the Revenue The Stabilization Fund (Governor Kaine's proposed budget does this);
- 2) The General Assembly revisit state tax exemptions;
- 3) The General Assembly oppose new unfounded and under-funded mandates and provide localities flexibility in managing public education reductions;
- 4) The General Assembly enact legislation that provides equal taxing authority for counties including food and beverage taxes and taxes on tobacco, without a voter referendum; and
- 5) The General Assembly consider alternative revenue sources for localities including a local-option ½ % additional sales tax as an alternative to increased property taxes.

The resolution is as follows:

A RESOLUTION OF THE BOARD OF SUPERVISORS OF SOUTHAMPTON COUNTY REGARDING THE COMMONWEALTH'S FY 2009-2010 BUDGET SHORTFALL

WHEREAS, Southampton County is committed to ensuring fiscal sustainability at the local and state levels of government to enable the Commonwealth and its local governments to provide high quality, cost effective, core public services that benefit Virginians today and for generations to come; and

WHEREAS, the current economic and financial times require government, at all levels, to evaluate service delivery responsibilities and to determine the continued importance of programs meeting critical needs; and

WHEREAS, the Commonwealth must resolve an estimated 2009 and 2010 biennial revenue shortfall approaching \$3 billion that may in fact continue to escalate in the near term; and

WHEREAS, Southampton County must resolve significant local revenue shortfalls for these periods as well; and

WHEREAS, the Commonwealth's General Fund supports most critical core government services including public education, health and human resources, including the Comprehensive Services Act, public safety, natural resources and environmental services by dedicating almost 50 percent of the state's General Fund to local governments (with 74 percent of this funding supporting K-12 public education); and

WHEREAS, if one level of government establishes and ensures a priority, it is then incumbent upon that level of government to adequately fund the services necessary to meet the priority; and

WHEREAS, the current economic environment threatens the sustainability of these critical core public services if the Commonwealth is required to reduce its contribution to the financial partnership between the state and its local government including Southampton County; and

WHEREAS, specific and necessary state budget reductions may impact a wide array of core public services, including but not limited to public education, the Comprehensive Service Act, and public safety, and many local governments, including Southampton County, will absorb significant state reductions in 2009 and may be compelled to increase real property taxes to help ensure the continuation of vital core public services; and

WHEREAS, Southampton County stands ready to partner with the Commonwealth to make the difficult budgetary decisions required, including thoroughly evaluating programs and working together to maintain a structural balance between revenues and expenditures that promotes the long-term viability of our Commonwealth.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors of Southampton County respectfully offers the following budget and revenue recommendations for the 2009 legislative session to the Governor and Virginia General Assembly including the Honorable L. Louise Lucas, The Honorable Frederick M. Quayle, The Honorable William K. Barlow, and The Honorable Roslyn C. Tyler:

- Budget and appropriate sufficient withdrawals from the state's Revenue Stabilization Fund ("Rainy Day Fund") to help offset necessary state budget reductions. Global and national financial markets are imbalanced; consequently, Virginia is one of many states facing a significant state revenue shortfall. The Commonwealth is required to replenish the Fund when economic conditions improve, and Southampton County supports recapitalizing the Fund in better economic times.
- Before budgeting and appropriating necessary state budget reductions, revisit recent state tax exemptions. Since the late 1990s the state has enacted more than \$1.8 billion in net biennial tax reductions and specific General Fund transfers.
- Oppose the enactment of new unfunded and under-funded state mandates that will impose new costs on local governments. Additionally, consider repealing specific, unfunded and under-funded state mandates. In the area of public education, the Governor and Virginia General Assembly should consider providing localities and school districts maximum flexibility to i) suspend specific mandates and ii) manage specific public education reductions.
- Enact a law authorizing equal taxing authority for counties. Counties should be enabled, like cities and towns, to institute specific taxes, including a meals tax without a referendum. The new sources of revenue would be tailored to the needs of a jurisdiction and could help local governments protect adequate funding for the core government services including K-12 public education, and reduce county dependence on property taxes.
- Consider additional possibilities mitigating the impact of state cuts on local governments. Local governments will have to make significant cuts in services because of flat or decreasing real estate revenues. Permit local governments, at their option, to implement a one-half percent increase in the sales tax as a way to minimize the potential burden passed on to homeowners through increased real property taxes.

AND BE IT FURTHER RESOLVED that Southampton County offers these recommendations in the spirit of compromise and partnership to the Governor and Virginia General Assembly including The Honorable L. Louise Lucas, The Honorable Frederick M. Quayle, The Honorable William K. Barlow, and The Honorable Roslyn C. Tyler.

Vice-Chairman Young moved, seconded by Supervisor Faison, to adopt the resolution. All were in favor.

Supervisor Brown advised that he thought Counties could impose a food tax of up to 2% automatically, and a voter referendum was only necessary to impose a food tax above 2%. Mr. Johnson stated that he was not aware of Counties having the right to impose a food tax of any percentage without a voter referendum, but he would follow up on that.

Moving forward, Mr. Johnson announced that as they were aware, on January 7, the SPSA Board of Directors approved a preliminary schedule of tipping fess which, if approved, would increase the municipal rate from \$104/ton to \$245/ton. The vote was 6-2 with the cities of Portsmouth and Chesapeake voting in the minority. Before the increase could become effective, SPSA must conduct a public hearing after which the Board must ratify the increases with a majority vote. The public hearing and related vote was scheduled for January 28. He advised that included in the agenda was correspondence and a resolution from the City of Chesapeake seeking a 60-day continuance on the tipping fee increase. SPSA had responded via email from its Executive Director advising that it did not have sufficient cash on hand or available credit lines to operate for 60 additional days in the absence of the increased fees. In addition, SPSA's general counsel had advised Board members that they were required by law to set a sufficient tipping fee to fund SPSA's operation and service its debt. If Chesapeake's action was duplicated by a majority of the members (or at least 4), the board would violate the law and its bond covenants, and the bondholders would likely seek injunctive relief by petitioning the Court to require SPSA to impose adequate tipping fees as required by the statute. Furthermore, the SPSA board had adopted a strategy to sell assets to reduce its debt, and was in negotiation under the PPEA to sell the RDF/WTE plants, subject to a contract with the buyer to sell waste to them at a predetermined price. Default on the bonds at this point would only hamper negotiations and may cause them to end prematurely. He noted that Chairman Jones was in contact with several of the other affected jurisdictions and may offer some comments and guidance.

Chairman Jones advised that he had met with Isle of Wight County and the City of Franklin. The three had decided that it was in their best interest to go along with SPSA for the next 5 months. If they let SPSA go down, SPSA's assets would not be worth much and their bond rating would be affected.

Mr. Johnson informed that Davenport & Company, our financial advisors, had advised them not to let SPSA default.

Mr. Johnson distributed and read aloud the following joint statement:

**Joint Statement of SPSA Board Members of the City of Franklin,
Southampton County and Isle of Wight County**

In an effort to provide sufficient time to properly and thoroughly evaluate all options available to the member jurisdictions of SPSA, the Board representatives of the City of Franklin, Southampton County and Isle of Wight County reluctantly approve an increase of the tipping fee to \$245 per ton with the following conditions:

- | | |
|---------------|--|
| First | The increased fee will be reviewed each month through the balance of Fiscal Year 2009 by the Board; |
| Second | The Finance Directors of each member jurisdiction will meet on a monthly basis to review the finances of SPSA; |
| Third | SPSA will engage an independent outside firm acceptable to the member jurisdictions capable of providing a fair valuation of the business components and assets of SPSA; and |
| Fourth | The Virginia Resources Authority is requested to provide an independent and detailed |

review of SPSA's financial condition, status and possible financial solutions for the benefit of the member jurisdictions, with the full cooperation of SPSA staff and access to SPSA records to enable such analysis.

In addition, we strongly encourage each locality to accept the invitation of the Virginia Resources Authority to host a "summit" at the earliest time possible with representatives of each member jurisdiction to explore ways to craft a solution to minimize the considerable per ton fee increase and explore the various options available to SPSA and the member jurisdictions.

Supervisor Brown stated a \$245/ton tipping fee was astronomical and there was nothing keeping SPSA from coming back at the end of June and saying that they needed more time and/or more money.

Mr. Johnson advised that SPSA would have to present a budget for 2010.

Attorney Railey clarified that it takes 75 days to change a tipping fee.

Supervisor Brown stated that we were asking our departments to reduce their budget by 5%, but yet we were being smacked with paying \$625,000 to SPSA. He stated that he was very emotional about this.

Chairman Jones commented that he did not want to pay it either, but we had no choice.

It was consensus of the majority of the Board to have Chairman Jones vote yes to the \$245/ton tipping fee at SPSA's meeting on Wednesday, January 29, 2009.

Moving forward, Mr. Johnson announced that included in the agenda was a revised draft of the proposed amendments to Chapter 14 of the Southampton County Code, the Subdivision Ordinance. The Board may recall conducting its public hearing on this matter in October 2008 after which it was referred back to the Planning Commission for additional review and comment. The Planning Commission worked on the amendments at its November and December 2008 session, making several revisions in response to comments received at the public hearing. Mr. Jay Randolph, Assistant County Administrator and Secretary to the Planning Commission, would provide additional comments.

Mr. Randolph advised that some of the primary revisions included:

- The drain field must be located within the boundaries of your lot.
- Maximum length of cul-de-sac was now 1,000 ft.
- Minimum turn-around at cul-de-sac extended an additional 5 ft. on each side
- Severability clause to prevent entire ordinance from becoming null should there be a problem with a section of the ordinance
- Considered concerns of Tidewater Builders Association (TBA)
 - Sidewalk thickness reduced to 4 ft.
 - If planting of trees proposed, type of trees should be ornamental
 - Language on release of surety bonds has been clarified

Supervisor Brown confirmed with Mr. Randolph that the 1,000 ft. cul-de-sac indeed only applied to new subdivisions.

Supervisor Felts confirmed with Mr. Randolph that the maximum number of lots on a cul-de-sac was 20.

Vice-Chairman Young asked about page 4, Section B, of the ordinance. Mr. Randolph clarified that the general concept was for a septic tank and drain field to be located within the boundaries of your own lot in order to reduce problems down the road.

Vice-Chairman Young moved, seconded by Supervisor Felts, to accept the Planning Commission's recommendation and approve the amendments to Chapter 14 of the Southampton County Code. All were in favor.

The Board took a 5-minute break.

January 26, 2009

Upon returning to open session, Mr. Johnson dispensed with miscellaneous issues. Mr. Johnson announced that included in the agenda was a copy of the summary report chronicling matters considered by the Planning Commission in 2008 as well as attendance reports for both the Planning Commission and Board of Zoning Appeals (BZA).

Mr. Johnson advised that also included in the agenda was a recommendation from the Planning Commission to move forward in filing the vacant Planner position and its supporting rationale. He noted that he was open to the Board's direction, but in light of agenda item 5C (regarding the FY 2010 budget), he had refrained from filling the position to minimize expense.

It was consensus of the Board to keep the position in the upcoming budget, but not to fill it.

Mr. Jay Randolph, Assistant County Administrator and Secretary to the Planning Commission, advised that the topic of filling the Planner position came up because of discussion at a Planning Commission meeting related to the Capital Improvements Plan not being updated. In light of the Board not filling the position, he asked for their support when citizens complained about updates and other tasks that may get behind.

Mr. Johnson informed that it had been quite some time since our last retreat, and with the issues facing us in 2009, several Board members had expressed an interest in scheduling one early this year. It had also been mentioned that our old format may be more appropriate this year, where we would gather for a day-and-a-half to 2 days to discuss issues in-depth and strategically plan for the upcoming year. He would be delighted to organize this type of retreat, if that's what the Board would like – historically, they had convened on a Thursday morning and concluded around noon on Friday. March 5-6 would provide adequate time to plan, organize and prepare, if those dates were ok with the Board. He would also like some direction on the topics they were interested in covering and what they'd like to accomplish in the time they would be together.

Supervisor Faison advised that he would like to talk about SPSA. Supervisor Brown stated that he would like to talk about trying to get on board to bring tourist dollars into the County. Supervisor Felts advised that she would like to discuss the budget.

Mr. Johnson stated that Supervisor Brown recently participated in a couple of tourism workshops facilitated by Franklin-Southampton Economic Development. He had specifically mentioned an interest in inviting Ms. Sandra Tanner with the Virginia Tourism Corporation to a future Board meeting to discuss tourism opportunities in Southampton County.

Supervisor Brown advised that he would like for Ms. Sandra Tanner to give a presentation to the Board.

Supervisor Felts asked if Ms. Tanner would be mentioning the greenway (or pipeline)? She was asking because it was not in the Comprehensive Plan, it was in her district, and she would hear from a lot of people who did not want it. It would just open all that back up again.

Supervisor Brown advised that Ms. Tanner would not talk specifically to the greenway. She would give a presentation as it related to tourism.

Mr. Johnson informed that there had been much discussion and anticipation regarding a federal stimulus for infrastructure projects in the first 100 days of the Obama administration. In anticipation, he had prepared a summary of our projects in Southampton County that may qualify and had submitted them to a number of state and regional organizations that were compiling candidate project lists, including the Virginia Department of Housing and Community Development, the Hampton Roads Planning District Commission, and the Hampton Roads Partnership. He had also submitted the list to Congressman Randy Forbes and Senator Jim Webb.

Continuing with miscellaneous issues, Mr. Johnson stated that included in the agenda was the monthly status report from Powell Management detailing progress on the ongoing water and sewer project.

Mr. Johnson advised, as a reminder, that the WHRO Pioneer Awards Banquet would be held at 6:00 PM on February 28 in Williamsburg (Williamsburg Lodge). The Board's sponsorship of the event entitled it to six tickets – he must submit the names to them no later than February 13.

Vice-Chairman Young and Supervisors Felts and Wyche indicated that they would be interested in attending along with their spouse/guest.

Mr. Johnson reported that included in the agenda were copies of the following incoming correspondence:

- 1) From the Department of Health, Office of Drinking Water, a copy of a violation notice to the Kingsdale-Moseley water system for failure to collect required bacteriological samples in November 2008;
- 2) From the Virginia Department of Transportation, an annual report summarizing changes to the secondary system in 2008;
- 3) From Charter Communications, a revised pricing guide for its services;
- 4) From Isle of Wight County, notice that Mr. James B. Brown has been elected Chairman of their Board in 2009;
- 5) From Isle of Wight County, email correspondence expressing its interest in reconvening periodic regional cooperation meetings with Franklin and Southampton County. Chairman Jones would need to appoint 2 board members to represent Southampton County at these meetings (the Chairman may serve himself);

Supervisors Felts and West volunteered to represent Southampton County at these meetings.

- 6) From Ash Cutchin, an inquiry regarding matters considered by the Board of Equalization in 2006;
- 7) From Northampton County, NC, a note of thanks for the Board's resolution supporting their ethanol project;
- 8) From the Western Tidewater Community Services Board, a note of thanks for the Board's FY 2009 annual appropriation; and
- 9) From Senior Services of Southeastern Virginia, notice of its pending funding request to the Commonwealth of Virginia for additional vans to transport the elderly and disabled.

Mr. Johnson stated that outgoing correspondence and articles of interest were also in the agenda.

Moving to late arriving matters, Mr. Johnson announced that at the request of Mrs. Amy Carr, Commissioner of the Revenue, Mr. Richard E. Railey, Jr., County Attorney, had prepared an ordinance to amend Section 8-8, Rates of License Taxes, of the Southampton County Code, by adding a new subsection for itinerant merchants or peddlers. Adding this subsection would allow the license rates of itinerant merchants or peddlers to be \$30.

Vice-Chairman Young moved, seconded by Supervisor Wyche, to advertise the ordinance for public comment at the February 23, 2009 meeting. All were in favor.

Accordingly, a First Reading was held on the following ordinance:

AN ORDINANCE TO AMEND SEC. 8-8 RATES OF LICENSE TAXES OF THE SOUTHAMPTON COUNTY CODE BY ADDING A NEW SUBSECTION (7) TITLED ITINERANT MERCHANTS OR PEDDLERS

BE IT ORDAINED by the Board of Supervisors of Southampton County, Virginia that the Southampton County Code be, and hereby is, amended by adding a new Subsection (7) (now reserved) to Section 8-8 as set out below:

- (7) Itinerant Merchants or Peddlers.

Adopted this _____ day of February, 2009.

A copy teste:

Michael W. Johnson, County Administrator/Clerk
Southampton County Board of Supervisors

The current ordinance is as follows:

Sec. 8-8. Rates of license taxes.

Except as may be specifically otherwise provided by ordinance or other law, the annual license tax imposed hereunder shall be thirty dollars (\$30.00) or the rate set forth below for the class of enterprise listed, if greater:

- (1) For contracting, and persons constructing for their own account for sale, ten cents (\$.10) per one hundred dollars (\$100.00) of gross receipts;
- (2) For financial, real estate and professional services, fifty-eight cents (\$.58) per one hundred dollars (\$100.00) of gross receipts;
- (3) For repair, personal and business services, and all other businesses and occupations not specifically listed or excepted in this section, twenty-five cents (\$.25) per one hundred dollars (\$100.00) of gross receipts;
- (4) For wholesalers, five cents (\$.05) per one hundred dollars (\$100.00) of purchases;
- (5) For carnivals, circuses and speedways, fifty dollars (\$50.00) for each date of operation held in this jurisdiction;
- (6) For fortunetellers, clairvoyants and practitioners of palmistry, five hundred dollars (\$500.00) per year;
- (7) Reserved;
- (8) For savings and loan associations and agricultural credit associations, fifty dollars (\$50.00) per year;
- (9) For direct sellers as defined in the 1950 Code of Virginia, as amended, § 58.1-3719.1, with total annual sales in excess of four thousand dollars (\$4,000.00), twenty cents (\$.20) per one hundred dollars (\$100.00) of total annual retail sales or five cents (\$.05) per one hundred dollars (\$100.00) of total annual wholesale sales, whichever is applicable;
- (10) Amusement operators as defined in the 1950 Code of Virginia, as amended, § 58.1-3720:
 - a. Three (3) to nine (9) coin-operated machines, seventy-five dollars (\$75.00); and
 - b. Ten (1) and above coin-operated machines, one hundred fifty dollars (\$150.00);
- (11) Photographers, as set forth in the 1950 Code of Virginia, as amended, § 58.1-3727 subject to the exceptions therein, thirty dollars (\$30.00); and
- (12) Public service companies as set forth on the 1950 Code of Virginia, as amended, §§ 58.1-2626, 58.1-2690 and 58.1-3731, one-half (1/2) of one (1) percent of gross receipts accruing from sales to the ultimate consumer in the county.

(Ord. of 12-18-95; Ord. of 8-26-96; Ord. of 4-23-01(2))

Chairman Jones asked if there was anything else to come before this Board?

Mr. Charles Turner, Division Superintendent of Southampton County Schools, spoke about their budget. He advised that they carried over more money than usual last year because they were anticipating a shortfall in sales tax. They were doing everything they could to cover their shortfalls. They had initiated a hiring freeze. He noted that their support service positions were understaffed. He thanked the Board for their continued support and concern.

Chairman Jones announced that it was necessary for the Board to conduct a closed meeting in accordance with the provisions set out in the Code of Virginia, 1950, as amended, for the following purposes:

Section 2.2-3711 (A) (5) Discussion concerning prospective industries where no previous announcement has been made of the business' or industry's interest in locating its facilities in the community;

Section 2.2-3711 (A) (7) Consultation with legal counsel pertaining to potential litigation by Cheverly LLC related to administrative denial of a proposed subdivision plat; and

Section 2.2-3711 (A) (7) Consultation with legal counsel pertaining to litigation associated with a recently filed complaint, Anthony Scodes v. Southampton County Board of Supervisors and Southampton County, Virginia.

Supervisor Wyche moved, seconded by Supervisor West, to conduct a closed meeting for the purposes previously read.

Richard Railey, County Attorney, Jay Randolph, Assistant County Administrator, Julia Williams, Finance Director, Julien Johnson, Public Utilities Director, and John Smolak, President of Franklin-Southampton Economic Development, Inc. were also present in the closed meeting.

Upon returning to open session, Vice-Chairman Young moved, seconded by Supervisor Wyche, to adopt the following resolution:

RESOLUTION OF CLOSED MEETING

WHEREAS, the Southampton County Board of Supervisors had convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3712 (D) of the Code of Virginia requires a certification by the Board that such closed meeting was conducted in conformity with Virginia law.

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

**Supervisors Voting Aye: Dallas O. Jones
 Walter L. Young, Jr.
 Walter D. Brown, III
 Carl J. Faison
 Anita T. Felts
 Ronald M. West
 Moses Wyche**

The motion passed unanimously.

Chairman Jones advised that a motion was needed as a result of the closed meeting.

Vice-Chairman Young moved, seconded by Supervisor Wyche, to have Mr. Johnson, County Administrator, correspond with Mr. Anthony Scodes advising him of the Board's intention to initiate on the Board's behalf, and at no expense to him, a change in zoning (via a resolution) of approximately 55 acres of his property from C-M1, Conditional Limited Industrial to A-1, Agricultural, effectively seeking to reverse the zoning change approved by the Board on July 28, 2008. Chairman Jones, Vice-Chairman Young, and Supervisors Faison, Felts, West, and Wyche voted in favor of the motion. Supervisor Brown voted in opposition to the motion. The vote was 6-1 in favor the motion, thus the motion passed.

There being no further business, the meeting was adjourned at 9:40 PM.

Dallas O. Jones, Chairman

Michael W. Johnson, Clerk

January 26, 2009

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