

VIRGINIA:

A work session of the Lancaster County Board of Supervisors was held in the Administrative Building Board/Commission Meeting Room of said county on Thursday, July 10, 2014.

Members Present: B. Wally Beauchamp, Chair
 Jason D. Bellows, Vice Chair
 F. W. Jenkins, Jr., Board Member
 Ernest W. Palin, Jr., Board Member
 William R. Lee, Board Member

Staff Present: Frank A. Pleva, County Administrator
 Don G. Gill, Planning and Land Use Director
 Crystal Whay, Building/Land Use Secretary

Mr. Beauchamp called the work session to order at 2:30 p.m.

Fiscal Year 2015-19 Lancaster County Capital Improvements Program and Budget

Mr. Pleva stated that the Board of Supervisors had received the Planning Commission’s suggestions for the Capital Improvements Program. He stated that the decision was to defer action, consider some other items and consider possible financing. He stated that the Capital Improvements Budget was not adopted in June, but can be adopted anytime during the year.

Mr. Pleva stated that he had spoken with Dan Siegel of Sands, Anderson, PC the day before. He stated that Mr. Siegel had suggested that a decision be made on financing by the July 31st meeting, because that would be better from a rate standpoint. He stated that Mr. Siegel also suggested to “guess high” on a figure to be financed, because that would generate more interest and they can always go lower when it comes time to actually finance the money.

Mr. Pleva stated that a public hearing would have to be held to adopt the Capital Improvement Budget at a later date. He stated that, according to Dan Siegel and Ted Cole, the County would probably only pay interest in the current fiscal year and not have the first principal payment until fiscal year 2016.

Mr. Beauchamp asked Dr. Westbrook, School Board Chairman, to introduce the new school superintendent.

Dr. Westbrook introduced Steve Parker, the Lancaster County Schools Superintendent and Dan Russell, the Assistant Superintendent.

Mr. Beauchamp welcomed them.

Mr. Beauchamp stated that he had had numerous conversations with Sergeant Haywood on the communications project. He stated that he had been told that a 10 x 10 foot, temperature controlled structure will need to be at each communications tower. He stated that the temperature would need to be controlled because of the sensitivity of the communications equipment. He stated that the Sheriff's Department is trying to determine everything that will be needed for the project. He stated that a study, being conducted by Will Smithson, would begin in August. He stated that the cost potential, which is a gray area at the present time, for the communications project is anywhere from \$950,000 to \$1.5 million dollars.

Mr. Jenkins asked the name of the person conducting the study and whether or not the person was a consultant or a vendor.

Mr. Beauchamp replied that Will Smithson was a consultant.

Mr. Jenkins stated that he was sure that Sheriff Crockett had done his due diligence and asked about Mr. Smithson's credentials. He stated that the communications project was expensive and if it was done incorrectly, it would be even more expensive.

Mr. Pleva suggested inviting Mr. Smithson to make a presentation for the Board.

Mr. Lee stated that he thought that was a good idea. He stated that he was interested in how the vendors were selected.

Mr. Jenkins stated that the time has come for the County to provide its citizens with more than just a place to take their trash. He stated that his suggestion is to add to the Capital Improvement Budget, a hefty amount of money earmarked for cultural, recreational and educational facilities for the public. He stated that he used the word facilities, because he thinks it should be more than one. He stated that the County's citizens and visitors deserve a fishing pier and the County needs better recreational facilities. He stated that he thought they should earmark, in the Capital Improvement Budget, an amount of \$1.5 to \$2 million dollars to accomplish those purposes.

Mr. Lee stated that he was in full agreement with Mr. Jenkins.

Everyone on the Board stated that they agreed.

Mr. Bellows stated that the County had borrowed money in the past to accomplish projects such as replacing the schools' roofs and other capital projects. He stated that he

would suggest that a similar borrowing be done so that current projects can be completed and so that they would not have to go back to borrow more.

Mr. Pleva stated that the County's older buildings do need some renovations. He stated that the bond counsel may mention certain projects, but there can still be money left over for other things.

Mr. Bellows stated that they were already looking at a substantial number based on the projects that they know need to be done, especially with the communications project. He stated that they are getting close to the \$5 million mark.

Mr. Beauchamp asked if any member would like to propose a number to submit to the bond counsel. He stated that after hearing from Davenport and Company, the time is right because of the interest rates.

Mr. Palin stated that he would suggest a minimum of \$5 million.

Mr. Jenkins stated that \$5 million might not be enough, considering the expense for the communications project and it was looking more like \$6 million.

Mr. Pleva stated that a higher number can be given and then come down after more information is gathered.

Mr. Beauchamp stated that they may not have any firm figure on the communications project until mid to late September.

Mr. Bellows stated that he was in favor of the \$5 to \$6 million dollar range and a ten-year term.

Mr. Palin suggested the figure of \$7 million. He stated that they can always come back down.

Mr. Palin made a motion to direct Mr. Pleva to explore borrowing \$7 million for a ten-year term.

VOTE:	B. Wally Beauchamp	Aye
	Jason D. Bellows	Aye
	F. W. Jenkins, Jr.	Aye
	Ernest W. Palin, Jr.	Aye
	William R. Lee	Aye

Mr. Pleva asked if the Board wished for him to find out quotes for 10, 15 and 20 year terms.

Mr. Jenkins stated that he thought the 20-year term was too long.

The Board was in consensus to look at 10 and 15 year terms for the borrowing.

Mr. Beauchamp stated that he understood that Dr. Westbrook wanted to prioritize the school items on the Capital Improvement Budget.

Dr. Westbrook stated that Mr. Parker was prepared to go over that information.

Mr. Parker stated that at the last school board work session, a new prioritization was made on the Capital Improvement projects for the school system. He stated that they would like to remove the land purchase study in fiscal year 2017. He stated that when the time is right for that, they can pay for it out of operating funds. He stated that they would like to remove the preschool and alternative school building that was initially indicated to be placed at the primary school. He stated that he did not think that was an appropriate place for it or an appropriate solution for the school's programming needs.

Mr. Parker stated that they would like to remove the replacement of half of the gym floor. He stated that expense shows \$135,000 in fiscal year 2016. He stated that they have an insurance check for \$119,000 and the \$135,000 reflects the balance of the replacement of the entire gym floor. He stated that given the life span of the gym floor and the need for long range plans in facilities, he did not think that was a wise use of money. He stated that the floor is serviceable.

Mr. Bellows asked if the insurance check was in hand.

Mr. Parker replied that the check is with the insurance company.

Mr. Bellows asked if those funds could be used for something else.

Mr. Parker replied yes.

Mr. Parker stated that they would like to remove the \$350,000 redesign and refurbishment of the high school track in fiscal year 2018. He stated that until they had some long range plans of what they are going to do with the school facilities, he did not think they should spend that amount of money on the track.

Mr. Parker stated that the timing of the new prioritization is also driven by the opportunity to purchase the library building once it is vacated. He stated that they believe the structure would give them some flexibility in programming and perhaps be used as an alternative education site. He stated that the building, for the school's use, would require no more than \$300,000 in renovations.

Mr. Parker stated that an immediate need is an athletic building at the high school, no matter what the long range plans are. He stated that, currently, the football team changes in a modular classroom, which is inadequate. He stated that they believe that they can build a structure with dimensions of 40 x 150 feet, which could provide a locker room facility, shower facilities, multi-purpose room and a weight room for \$250,000. He stated that they would like to replace the \$100,000 weight room expense in fiscal year 2016 with the \$250,000 athletic building.

Mr. Parker stated that they have no idea what the cost of purchasing the library will be. He stated that they know the assessed value.

Mr. Parker stated that those were the decisions made on Monday and wanted to present them to the Board of Supervisors for their consideration.

Mr. Lee referred to the high school track and stated that there were a lot of complaints concerning it. He stated that it was his understanding that something would be done about it in a couple of years.

Mr. Parker stated that discussions will need to be held between the Board of Supervisors and the School Board concerning the long term plans for the school's facilities. He stated that the schools are antiquated and outdated, and even though they are well maintained, he has some serious concerns about them, such as the septic systems at both the high school and the primary school. He stated that they did not think putting \$350,000 into a track right now is a wise investment.

Mr. Bellows stated that he thought that both boards should get together and have some strategic planning meetings set throughout the year to talk about more than just the annual budget.

Dr. Westbrook stated that they would like to get together as soon as possible and the more the two boards communicate, the better.

Mr. Beauchamp stated that he had no concerns with the request.

Mr. Bellows stated that the school had presented sound requests, in that they were addressing immediate needs and pushing off items that should be part of a strategic long-term plan.

Dr. Westbrook stated that he thought there should be an independent appraisal done of the library building. He stated that they did not want the building to get away from them.

Mr. Parker stated that obtaining the library building would be a golden opportunity as it is contiguous to the middle school property.

Mr. Pennell stated that he thought the library building would be a good fit for the school because of the proximity. He stated that as the former County Administrator, he knew that the County would be bound by the appraisal. He stated that, in his opinion, the appraisal process should start right away and then negotiations could begin. He stated that the library's board has always thought the building would be a good fit for the school system.

Mr. Bellows made a motion to approve moving forward on the current library building appraisal.

VOTE:	B. Wally Beauchamp	Aye
	Jason D. Bellows	Aye
	F. W. Jenkins, Jr.	Aye
	Ernest W. Palin, Jr.	Aye
	William R. Lee	Aye

COUNTY ADMINISTRATOR

Mr. Pleva referred to the Greentown/Gaskins Road Project and stated that the Board of Supervisors has already approved the hook-up fees, but USDA also requires that the monthly user fee be approved. He stated that the user fee is not based on consumption because there is no central water system. He stated that the rate is set to generate enough revenue to operate the system. He stated that the USDA monthly rate is \$38.70 and the governing body has to approve the rate.

Mr. Lee made a motion to approve the USDA monthly user fee rate of \$38.70 for the Greentown/Gaskins Road Project.

VOTE:	B. Wally Beauchamp	Aye
	Jason D. Bellows	Aye
	F. W. Jenkins, Jr.	Aye
	Ernest W. Palin, Jr.	Aye
	William R. Lee	Aye

ADJOURNMENT

Mr. Bellows made a motion to adjourn.

VOTE:	B. Wally Beauchamp	Aye
	Jason D. Bellows	Aye
	F. W. Jenkins, Jr.	Aye
	Ernest W. Palin, Jr.	Aye
	William R. Lee	Aye