

**VIRGINIA:**

A meeting of the Lancaster County Board of Supervisors was held in the Administrative Building Board/Commission Meeting Room of said county on Thursday, August 30, 2018.

Members Present: William R. Lee, Chair  
Jason D. Bellows, Vice Chair  
Jack D. Larson, Board Member  
Ernest W. Palin, Jr., Board Member  
Robert S. Westbrook, Board Member

Staff Present: Don G. Gill, Interim County Administrator and  
Planning/Land Use Director  
Crystal Whay, Clerk to the Board and  
Building/Land Use Assistant

Mr. Lee called the meeting to order at 5:30 p.m.

**CLOSED MEETING**

Motion was made by Mr. Bellows to enter into closed meeting to discuss matters exempt from the open meeting requirements of the Virginia Freedom of Information Act. The subject matters to be discussed in the closed meeting are Personnel, § 2.2-3711.A.1 and Legal Matters, § 2.2-3711.A.8 of the Code of Virginia, 1950, *as amended*. The subject and purpose falls within the following exemption(s) under § 2.2-3711.A.1 (for the discussion and consideration of the assignment, appointment, promotion, performance or salaries of specific public officers, appointees or employees of the public body) and § 2.2-3711.A.8 (for the consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel.)

VOTE:	William R. Lee	Aye
	Jason D. Bellows	Aye
	Jack D. Larson	Aye
	Ernest W. Palin, Jr.	Aye
	Robert S. Westbrook	Aye

**RECONVENE**

Motion was made by Mr. Lee to reconvene the open meeting at 7:00 p.m.

VOTE:	William R. Lee	Aye
	Jason D. Bellows	Aye
	Jack D. Larson	Aye
	Ernest W. Palin, Jr.	Aye
	Robert S. Westbrook	Aye

**CERTIFICATION**

**WHEREAS**, the Lancaster County Board of Supervisors convened in a closed meeting on August 30, 2018 pursuant to an affirmative recorded vote on the motion to close the meeting to discuss Personnel, § 2.2-3711.A.1 and Legal Matters, § 2.2-3711.A.8 of the Virginia Freedom of Information Act;

**WHEREAS**, § 2.2-3712 of the Code of Virginia requires a certification by the board of supervisors that such closed meeting was conducted in conformity with Virginia law;

**NOW, THEREFORE BE IT RESOLVED** that the Lancaster County Board of Supervisors hereby certifies that, to the best of each member’s knowledge, (1) only public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act were heard, discussed or considered in the closed meeting to which this certification applies and (2) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered in the meeting to which this certification applies.

Motion was made by Mr. Palin to certify the closed meeting.

Before a vote is taken on the resolution, is there any member who believes that there was a departure from the requirements of number 1 and number 2 above? If so, identify yourself and state the substance of the matter and why in your judgment it was a departure. There was no comment.

Hearing no further comment, Mr. Palin called the question. A roll call vote was taken:

**ROLL CALL**

VOTE:	William R. Lee	Aye
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Jason D. Bellows	Aye
Jack D. Larson	Aye
Ernest W. Palin, Jr.	Aye
Robert S. Westbrook	Aye

This certification resolution is adopted.

No action taken on the closed meeting matters.

**PUBLIC INPUT**

Ms. Cassie Thompson stated that she was representing the Broadband Authority and was there to recommend to the Board of Supervisors that they reschedule the meeting with Atlantic Broadband that was set for September 11<sup>th</sup>. She stated that, since July when they were still an advisory group, they have asked Atlantic Broadband for certain information to identify their network coverage and still have not received a response. She stated that, approximately four weeks ago, another request was made, but there has still been no response. She stated that her group would recommend that the Board of Supervisors not meet with Atlantic Broadband since they have not provided the requested information. She stated that if the Board agreed with that, she would like the Broadband Authority to let the Board of Supervisors know when they have received the information and then set a date for a meeting.

Mr. Lee stated that he thought that was a reasonable request.

Mr. Cornwell suggested that when Atlantic Broadband was notified of the cancelled meeting that they be told why the meeting was being postponed. He stated that may prompt them to provide the requested information.

There was a consensus of the Board of Supervisors to postpone the meeting with Atlantic Broadband on September 11, 2018.

Gary Silverman stated that he thought the County should move forward with the new schools and approve the budget as presented. He stated that, at the present time, it is not completely clear about the final plans or a hard number, but the more the decision is delayed, the more expensive the project will be. He stated that he was one constituent, but wanted his opinion to be heard.

George Bott, a District 1 citizen, stated that he would like to congratulate the School Board and School Superintendent on a preliminary report that all Lancaster schools are accredited. He stated that they have assembled a strong team and have made mostly wise decisions.

Mr. Bott referred to the FY 2019 Capital Improvement Plan and stated that he hoped the Board would consider, in addition to the \$40,000 for paving the access road to the Windmill Point Boat Ramp, the needed paving at the end of Thomas Road near the original public boat ramp on Greenvale Creek. He stated that the estimated cost for that would be \$7,028 and those funds were in the Capital Improvement Budget. He stated that new signs have been installed on River Road for the Greenvale Creek Boat Ramp.

Mr. Bott stated that he wanted to mention that the penny tax increase in calendar year 2017, earmarked for schools, was intended to be carried through each subsequent year and not just for one year. He stated that was the motion made by Mr. Bellows. He stated that resolution had thirteen terms and conditions attached to it, none of which restricted the use of that one cent. He stated that the money will be needed for the schools and will reduce the mortgage impact.

Mr. Bott referred to the proposed resolution supporting the use of increased sales tax revenue for school construction and improvement and stated that it was conditional on a local referendum. He stated that when approving such a sales tax, the dollars generated annually might seem appealing to a few of us, but not to the many of us. He stated that was because sales taxes are regressive and impact the poor the most.

Mr. Bott stated that the annual Turkey Shoot Hospice Regatta will be held on the last three days in September and invited the Board.

Bill Warren stated that, recently in Middlesex County, a solar powered station has been installed behind the Saint Clare Walker Middle School that will provide all of the power to the two schools on the property. He stated that there will be a savings of approximately \$2.5 million dollars a year over twenty years. He stated that he wanted to make the Board of Supervisors aware of it and provided an informational sheet.

Norman Frisbie, a Black Stump Road resident, stated that he had taught and has always been interested in education. He stated that there was a difference between want and need. He stated that there were projections for schools between sixty and ninety million dollars for a student body of eight hundred. He asked why they didn't just buy each student a small house and home school each of them. He stated that it was ridiculous to consider, but what was also ridiculous was to proceed with the project without a public referendum. He stated that a referendum requires transparency and would include the explicit debt costs. He stated that, without a referendum, the Board of Supervisors should be held liable for its actions. He asked the Board to please take its time with this decision and study all of the remedies.

Barbara Ettner, a Kilmarnock resident, stated that she was concerned about the proposed capital expenditures for building new schools. She stated that it was important for all taxpayers that will be affected economically to understand the history, rationale, previous studies and recommendations that have been made and changes in the scope of new building initiatives that have occurred in the past few years. She stated that there is

not much information around about the physical status of the present three schools and in detail why they cannot be adapted to meet future needs. She stated that they do not know precisely how much new school buildings will cost and the estimates vary widely. She stated that there seemed to be a lack of clarity about the location and types of school building infrastructure. She stated that there was inadequate information about less expensive alternatives. She stated that there was no concrete fact-based justification regarding the critical educational and economic goals envisioned to be achieved by massive school replacement.

Jimmie Carter, a District 3 resident, stated that he would like to remind everyone that there was an open and public process in relation to the new schools. He stated that the School Facilities Committee worked on the project for years and the committee was made up of citizens and community leaders. He stated that he looked at school rankings in Virginia just before the meeting and Lancaster County is rated 127 out of 132. He stated that the current state of schools is an embarrassment for the County. He stated that he had recently bought the King Carter Golf Course and he is trying to bring technical jobs to Kilmarnock. He is also working on the hospital renovation. He stated that the biggest obstacle he hears is that people don't want to move to the area because of the condition of the schools. He stated that he understood there was a need to have a reasonable tax rate, but it can hurt the County from making logical investments. He stated that they would not live up to their potential if they stay on this road. He stated that the taxpayers cannot be burdened with unreasonable taxes, but the problem is if they don't have good schools, property values will not increase. He stated that many people will not mind paying a little more in taxes to get the schools needed for the County. He stated that if a referendum was held prematurely, without knowing the facts, it would bias the outcome.

Jo Chamberlain, a District 1 citizen, stated that she was hearing people who have not educated themselves or paid attention to what has happened over the last couple of years, stepping in now and saying that the project was proceeding without studying it. She stated that this issue has been studied many times and it was time to move forward. She stated that it was time to accept all of the studying that has been done and respect the efforts of the School Facilities Committee.

Jack Chamberlain, a District 1 citizen, referred to a movie quote that says "build it and they will come". He stated that he thought that was true in this case.

Dr. Sal Bavuso, a Weems resident, stated that he attended a hospital staff meeting last week and the topic was expansion of services. He stated that a big obstacle is staffing and getting young professionals to move to the area. He stated that Lancaster County has a problem with its schools and for people with children or who plan to have children, the area is not as attractive as other places. He stated that the County needs to attract and retain skilled professionals.

James Vick, a Morattico resident, stated that he had been a resident of Lancaster County for fifty years. He stated that he had visited all three County schools and they

were not falling down, but what was falling down were the teachers and the educational system. He stated that people will stop moving into the County if the taxes keep increasing. He stated that raising sales taxes will also run the local merchants out of business. He stated that the teachers are not staying in the local schools because of the low salaries, so they teach for a couple of years here and then move elsewhere. He stated that every taxpayer in the County has a right to vote on the schools issue with a referendum. He stated that everybody that he has talked to feels the same way he does.

Paul McClean, a resident, stated that the buildings don't teach children, it's the teachers. He stated that the teachers needed to be paid a living wage and he knew of teachers that had to leave the area because they could not support their families on what they earned in Lancaster County.

Charlie Costello, a District 2 citizen, stated that he had worked as a tutor in the schools for many years and was a member of the School Facilities Committee. He stated that the County's teachers are good and there were many success stories of Lancaster High School's graduates. He stated that they have been talking about a need for new schools for ten years and he did not realize how bad the facilities were until he visited them. He stated that it was not a place he would want his grandchildren or great grandchildren to attend.

Mr. Costello stated that teacher salaries were raised four percent this year, which was the biggest raise they had in quite awhile. He stated that other localities raised their salaries just as much because it is a competitive area. He stated that Superintendent Parker and his staff have been doing a good job. He stated that people needed to get involved in the schools as parents and concerned citizens. He stated that he will be glad to pay his fair share for new schools.

Donald Barrett, a District 1 citizen, stated that the solution to this issue was to hold a public referendum. He stated that it will give the citizens an opportunity to vote on what they want for their County. He stated that he was asking for a public referendum.

Howard Kyzer, a District 3 citizen, stated that the last time he was at a meeting, he asked the Board of Supervisors, point blank, had they decided to build new schools and he was told no. He stated that, on the same night, the Board met afterwards and voted to buy property. He stated that he wanted to ask again at this meeting if the decision had been made to build new schools. He stated that he would like to see something like a press release on what has been decided on and what it is going to cost. He stated that it would be irresponsible to borrow \$9 million dollars without a clear plan. He stated that the money will either end up being wasted or more millions will have to be added to it. He stated that he had not seen or heard what the final figure is estimated to be and would like to know what it is going to cost the taxpayers.

Mr. Lee stated that if he knew what the final figure was going to be, he would tell him.

Mr. Kyzer asked how can the Board go down that road, if they don't know the final figures.

Mr. Lee stated to Mr. Kyzer that he was assuming that the Board was going to go down that road, but they have not gotten to the Capital Improvement Plan yet and still have that issue to cover. He stated that the Board has allowed citizens to speak on the subject even though it is located further down on the agenda.

Mr. Kyzer stated that he was assuming things, because the public has never heard a final figure. He stated that there has already been millions of dollars spent on the existing schools. He stated that a public referendum needs to happen and then the Board can be "off the hook" if the public says it wants the new schools.

Interim Emergency Services Chief Matt Smith stated that September was Emergency Preparedness Month and FEMA and the FCC will be doing a test of their emergency alert systems on September 20<sup>th</sup>. He stated that the County will test its emergency alert system that day at 3:00 p.m. and he wanted to make the Board aware of this.

## **PRESENTATIONS**

### **1. Economic Development in Lancaster County**

Ms. Suzanne Novak with ERUdyne stated that she moved to Lancaster County approximately a year and a half ago and she was present to talk about her company and what her plans are for economic development in the County. She stated that the company started in the year 2000 and the focus was on cross cultural training and helping companies do business in other parts of the world. She stated that the focus shifted after 9/11 and they started to focus more on national security and global business. She stated that she has spent a lot of time deployed with FEMA on disasters. She stated that she has employees all over the country, but she is in Lancaster County full-time. She stated that her company recently received the Official Woman-Owned Small Business Certification in Virginia.

Ms. Novak stated that ERUdyne is launching a drone flight school and the intent of that is to help people learn how to fly and build drones and get to the point where they can get their commercial pilot's license. She stated that the FAA has a seventy-three page document that a person can read and pay a fee to pass the exam for the license, even if they have never flown a drone. He stated that it was very important that people know how to fly drones, especially in disaster situations. She stated that the first class will be held in October at Dreamfields in Kilmarnock. She stated that they will be focusing on veterans to help them with future employment.

Ms. Novak stated that her company has also created NextGen Disaster Services and the intent of that is the integration of technology and they will be working with colleges and young people with an interest in the business. She stated that with her

Business Resilience Center, she hopes to eventually offer training and jobs in the local area.

Mr. Lee asked how Ms. Novak decided to settle in Lancaster County.

Ms. Novak replied that she was from Connecticut, but grew up in Northern Virginia. She stated that she rented a house in Weems a few years ago and loved it. She stated that she continued to live in Connecticut, but it was getting very costly. She stated that she loved living on the water and started looking at areas that had the atmosphere that she wanted to be in. She stated that she came to this area as a renter and she is now looking for a permanent home to build her future here.

Mr. Lee stated that Ms. Novak's company does a lot of functions virtually and asked her if she had any problems with connectivity.

Ms. Novak replied no. She stated that she had AT&T cell service and that was horrible, but no problems with connectivity so far. She stated that, as her company grows, she will have additional data needs. She stated that, part of why they are virtual is because they need to be able to move quickly to all areas of the country.

## **VIRGINIA DEPARTMENT OF TRANSPORTATION**

Robert Harper referred to the paving project in the Town of Kilmarnock and stated that he had requested that project be moved to the end of September to give the town time to decide on whether or not they want to move the islands in the middle of the street.

Mr. Harper stated that on Windmill Point Road, they have been patching and paving and will do the surface treatment in the middle of September. He stated that after that work was done, they will be moving to James Wharf Road in White Stone.

Mr. Harper referred to mowing and stated that the contractor is again working with his crew to catch up. He stated that, once the secondary system has been completed, they will start on the primary roads. He stated that there would be one hundred percent litter pick-up on the primary roads this fall.

Mr. Larson asked if the crews were now working on the second cutting of the primary roads.

Mr. Harper replied yes.

Mr. Larson stated that there had not been a first cutting on the secondary roads.

Mr. Harper stated that they were working on the secondary system too.



Mr. Larson stated that it was becoming a problem and the grass was high enough to hide small deer and there was also a Johnson grass issue. He stated that the longer it was put off, the bigger the problem will be.

Mr. Harper stated that he understood and both his crew and the contractor were working on it.

**PUBLIC HEARINGS**

1. Application for Special Exception – Melvin G. Grimes

Mr. Lee asked Mr. Gill to present the issue.

Mr. Gill stated that the issue was an application for special exception by Melvin G. Grimes to place a single-wide individual manufactured home on a 5.0-acre parcel described as Tax Map #34-51. He stated that the property was zoned R-1, Residential General and was located at 18808 Mary Ball Road in District 4.

Mr. Gill stated that Article 5-1-3 of the zoning ordinance requires a special exception for the placement of individual manufactured homes such as this, which measures 16 feet by 76 feet and is a single-wide home.

Mr. Gill stated that the property has existing septic and well sites that served a prior home that was destroyed by fire and has since been removed. He stated that all front, rear and side setbacks can be met. He stated that similar types of homes exist in this neighborhood. He stated that the issue had been advertised and adjoining property owners notified as required by law and to date, there had been no response from the public.

Mr. Lee opened the public hearing.

There was no public comment.

Mr. Lee closed the public hearing.

Mr. Lee made a motion to Approve the Application for Special Exception for Melvin G. Grimes to Place an Individual Manufactured Home on Tax Map #34-51 in District 4.

VOTE:	William R. Lee	Aye
	Jason D. Bellows	Aye
	Jack D. Larson	Aye
	Ernest W. Palin, Jr.	Aye

2. Application for Special Exception – Dominion Energy

Mr. Lee asked Mr. Gill to present the issue.

Mr. Gill stated that the issue was an application for special exception by Virginia Electric and Power Company to build and maintain an electrical substation/transition station to convert an overhead transmission line to an underground line on 3.31-acres described as Tax Maps #34D-1-6, 34D-1-7, 34D-1-8 and 34D-1-9. He stated that the parcels were zoned R-1, Residential General and were located adjacent to 165 High Bank Road in District 3.

Mr. Gill stated that Article 5-1-23 of the Lancaster County Land Development Code will permit an electric utility substation, but requires a special exception if it will exceed 35 feet in height. He stated that certain components of the proposed substation will exceed that 35 feet height restriction.

Mr. Gill stated that on December 21, 2017, the State Corporation Commission (SCC) approved the Line 65 rebuild project, but required that the replacement of the existing transmission line, that is connected to and beside the Norris Bridge, be with an underwater transmission line. He stated that requirement necessitates the need for a transition substation on each side of the Rappahannock River to convert the underwater lines to overhead lines. He stated that Dominion Energy is purchasing Tax Maps #34D-1-6, 34D-1-7, 34D-1-8, 34D-1-9 and a portion of 34-215 for a total of 3.31-acres to locate this transition substation. He stated that, included in the Board packages, was the application, the GIS map, the sketch site plan showing the completely fenced-in area of the proposed substation, as well as the grading, drainage, landscaping and buffering plans. He stated that also included were some before and after renderings of the proposed transition substation, a noise study and narratives documenting its need and safety.

Mr. Gill stated Dominion Energy held a public meeting on Tuesday, August 21<sup>st</sup> in White Stone to discuss the proposed transition substation and answer questions from local residents. He stated that this issue had been advertised and adjoining property owners notified as required by law and to date, there had been no response from the public.

Mr. Lee opened the public hearing.

Gary Silverman, a District 1 citizen, stated that the Broadband Advisory Committee had requested that a conduit with a messenger line be added to the underwater electrical transmission line and would like for it to be discussed with Dominion Energy.

Mr. Lee stated that the issue had been addressed with Dominion Energy and asked Mr. Gill to speak about it.

Mr. Gill stated that the issue of a conduit for broadband was brought up with Dominion Energy and Jim Cornwell, County Attorney, had several emails with Dominion's legal team.

Mr. Cornwell stated that Dominion Energy had indicated that, under the current configuration, adding another line was not possible. He stated that Dominion could explain the answer in more detail.

Mr. Bellows stated that one of the reasons is that it would need additional right-of-way, which would have to go through the Virginia General Assembly.

Mr. Cornwell stated that he had also heard that there were technical issues relating to the line and power consumption, but he was not an electrical engineer, so he could not elaborate.

Mr. Bellows stated that Dominion Energy does have fiber optics and he believed it was possible to partner with some people to lease some of its fiber.

Amanda Mayhew, a representative from Dominion Energy, stated that part of the issue about additional lines has to do with the permit that they have received from the Virginia Marine Resources Commission and from the legislature for the Baylor grounds, in that they can only put their equipment there. She stated that, if another party wanted to put their own fiber in, Dominion would be fine with that, however that party would have to do their own permitting and would have to install the cable at the same time that Dominion was installing their electrical cables.

Mr. Cornwell asked if everything could be in the same conduit.

Ms. Mayhew replied definitely not.

Mr. Cornwell stated that for technical reasons, the lines could not be put in the same conduit, which essentially means that another conduit would have to be constructed. He stated that the County would have to go to the General Assembly to get permission to use the Baylor property for the purpose of construction. He stated that the Commonwealth of Virginia owns the Baylor grounds, so the state would have to give its consent.

Mr. Silverman asked how long that process would take.

Mr. Bellows stated that the short answer was more than a year.

Dr. Westbrook stated that they could potentially have the entire Northern Neck and Middle Peninsula share in this cost. He stated that it could be possible for

Dominion Energy to serve its customers in a way that would be good for the future. He stated that, until all of the questions are answered, he thought it was foolish just to say it cannot be done.

Ms. Mayhew stated that the contractor for their project will be on board in the next couple of weeks and they would be happy to follow up with him on the request, they just cannot pay for it.

Dr. Westbrook stated that no one was asking Dominion to pay for it.

Mr. Gill asked how long it took Dominion to go through the process with the Baylor grounds.

Ms. Mayhew replied that they received the SCC order at the end of last year so they were able to get onto this year's General Assembly docket. She stated that it really depends on the timing. She stated that they have been working throughout the year to get the plans together for the two transition stations as well as the permits for the underground transmission line. She stated that the Grey's Point station in Middlesex County was approved a few weeks ago.

Mr. Lee closed the public hearing.

Mr. Bellows made a motion to Approve the Application for Special Exception for Dominion Energy to build and maintain an electrical substation/transition station on Tax Map #s 34D-1-6, 34D-1-7, 34D-1-8 and 34D-1-9.

VOTE:	William R. Lee	Aye
	Jason D. Bellows	Aye
	Jack D. Larson	Aye
	Ernest W. Palin, Jr.	Aye
	Robert S. Westbrook	Aye

3. Proposed Ordinance Requiring Triennial Application for Tax Exemption of Real and Personal Property

Mr. Lee asked Mr. Gill to present the issue.

Mr. Gill stated that the issue was to take public comment on a proposed ordinance that would require owners of tax exempt real and personal property to apply every three years to retain the tax exempt status of their property.

Mr. Gill stated he had included in the Board's packages the ordinance that Jim Cornwell, County Attorney, had drafted requiring triennial application for tax exemption of real and personal property. He stated that this ordinance would permit the County to require owners of tax exempt real and personal property to apply every three years to retain the tax exempt status of their property. He stated that the Commissioner of Revenue, Marlon Savoy, has identified 211 properties that would need to file this application. He stated that state code requires that there be a 60-day notice period followed by a 60-day response period prior to the beginning of the calendar year for which the exemption is sought. He stated that, as a result, in order to meet that 120-day requirement, these notices and applications would need to be sent out no later than September 1, 2018 for the exemption to take effect in 2019. He stated that Commissioner Savoy has created a one-page application and drafted the notice letter. He stated that her staff has prepared the 211 envelopes and assuming the Board of Supervisors adopts this ordinance on August 30<sup>th</sup>, the envelopes could be mailed on August 31<sup>st</sup>, so that all deadlines would be met and the new requirements would take effect in 2019. He stated that if the Board of Supervisors does not adopt this ordinance on August 30<sup>th</sup>, the new requirements would not take effect until 2020.

Mr. Gill stated that this issue had been advertised as required by law and to date, there had been no response from the public. He asked Mr. Cornwell if he had anything to add.

Mr. Cornwell stated that there were a lot of properties in the County that have been tax-exempt for some time. He stated that with some of those properties, tax exempt status was fairly obvious, but with others it was not. He stated that this ordinance would require the property owner to confirm their status every three years. He stated that if the property owner does not respond and file the form, they will lose the tax exemption for the upcoming year, but they could reapply for future years if they wish.

Mr. Lee opened the public hearing.

There was no public comment.

Mr. Lee closed the public hearing.

Mr. Bellows made a motion to Approve the Proposed Ordinance Requiring Triennial Application for Tax Exemption of Real and Personal Property.

VOTE:	William R. Lee	Aye
	Jason D. Bellows	Aye
	Jack D. Larson	Aye

Ernest W. Palin, Jr. Aye

Robert S. Westbrook Aye

**ORDINANCE REQUIRING TRIENNIAL APPLICATION FOR TAX EXEMPTION OF REAL AND PERSONAL PROPERTY**

**WHEREAS**, there are substantial parcels of real estate and personal property in Lancaster County which are tax exempt and have been tax exempt for some time; and,

**WHEREAS**, Section 58.1-3605 of the Code of Virginia, 1950, as amended, allows the County to require owners of tax exempt real and personal property in Lancaster County to apply on a triennial basis to retain the tax-exempt status of such property.

**NOW, THEREFORE, BE IT ORDAINED**, that the following ordinance is hereby adopted after public hearing duly advertised and conducted:

**TRIENNIAL APPLICATION FOR EXEMPTION**

Any entity which owns real or personal property exempt pursuant to Code of Virginia, title 58.1, Ch. 36 (Code of Virginia, § 58.1-3601 et seq.) shall, after receiving 60 days' written notice, file triennially an application with the Commissioner of the Revenue of Lancaster County as a requirement for retention of the exempt status of the property. The application shall show the ownership and usage of the property and shall be filed within the next 60 days preceding the tax year for which retention is sought on a form furnished by the Commissioner of Revenue.

This requirement shall not apply to the United States or to the Commonwealth of Virginia or any of its political subdivisions.

State law reference—Authority to so provide, Code of Virginia, § 58.1-3605.

This Ordinance shall be effective immediately upon adoption and codified in the Lancaster County Code of Ordinances.

4. Update to the Lancaster County Capital Improvement Budget for FY 2019-2023

Mr. Lee asked Mr. Gill to present the issue.

Mr. Gill stated that the issue was to take public comment on the update to the Lancaster County Capital Improvement Budget for FY 2019-2023 including

consideration of amendment and appropriation of up to \$10,230,083 for FY 2019 Capital Improvement items.

Mr. Gill stated that he had included the updated FY 2019-2023 Capital Improvement Budget summary cost spreadsheet and supporting documentation in the Board members' packages. He stated that the FY 19 items are of the most importance since the outer years of FY 20-23 will be considered and updated again next year. He stated that the \$349,300 school request for the VMDO study has been added, as well as the \$40,000 proposal to pave the access road to the Windmill Point Public Boat Ramp that Supervisor Bellows asked to include. He stated that the \$9.3 million for new schools' schematic design and beginning construction is included per the Board of Supervisors' direction at the last work session held on August 7<sup>th</sup>. He stated that the currently available funds and grants for FY 19 Capital Improvement Items included funds remaining from the 2014 Capital Improvement borrowing, the "penny" tax increase (FY 2018) earmarked for school items, the "SNAP" accounts earmarked for school items and a grant for an ambulance to serve the Upper Lancaster Volunteer Rescue Squad totaled \$937,111.

Mr. Gill stated that the issue had been advertised as required by law and to date, there had been no response from the public.

Mr. Gill stated that Mr. Larson had asked about the schools' request to renovate the old community library for \$350,000 for the early childhood education program. He stated that the original Capital Improvement Budget passed by the School Board had that item listed in FY19, but the Planning Commission moved it to FY20, since new schools were being proposed. He stated that there was one item that was approved in July and that was the ambulance to serve the Upper Lancaster Volunteer Rescue Squad. He stated that the ambulance funding needed to be done on a timely basis to meet grant requirements.

Mr. Lee stated that a lot of statements had been made at tonight's meeting concerning a public referendum. He stated that the deadline for a referendum for this November has passed, so the issue would not be on the ballot for November 2018, even if they had decided to have one.

Mr. Lee referred to the one penny tax increase from FY18 and stated that it was his understanding that it was just for that one year.

Mr. Gill stated that the motion stated that one cent of the five cent increase be earmarked and obligated for future school capital items.

Mr. Bellows stated that he made that motion with the intention that it would be a recurring one cent set aside for schools and not just the one year.

Mr. Lee asked how the money was being held.

Mr. Gill replied that the Treasurer has the one-cent funds from FY18 in a special account, but nothing has been added for FY19.

Mr. Larson asked if they could go back and look at the minutes for more clarification on that motion.

Mr. Gill replied that he had looked at those minutes and they state that one cent of the five cent tax increase is to be earmarked and obligated for future school capital projects. He stated that the argument is that the five cent tax increase did not go away because the rate is still at \$0.59 cents for real estate.

Mr. Bellows stated that the intention was to put the one cent away and start building a savings account for the purpose of new schools.

Mr. Lee stated that they just needed to make sure they were all on the same page.

Mr. Larson stated that the motion should have been more specific because the natural inclination was to say that the increase was just for one year. He stated that the tax increase could go away after one year.

Mr. Bellows stated that they didn't take it away, it is still there.

Mr. Cornwell stated that he understood that when the Board approved its budget for this fiscal year, the one cent was not set aside. He stated that it may have been an error that would require a budget amendment.

Mr. Lee stated that what he was hearing was that the one-cent needed to be set aside for each year going forward.

Mr. Palin stated that he was inclined to agree with Mr. Larson. He stated that he understood Mr. Bellows' intention, but it did not seem to translate that way in the motion. He suggested further discussion on the matter.

Mr. Lee stated that Mr. Cornwell had mentioned a budget amendment.

Mr. Cornwell stated that the amount would be less than one percent of the total budget, so it would not require a public hearing.

Mr. Lee opened the public hearing.

Dr. Steve Parker, School Superintendent and a District 3 citizen, stated that he did not disagree that there should be a referendum and he thought the public needs to have a say on the issue. He stated that the problem is that right



now they don't have the facts. He stated that they know that whatever they do was going to cost at least \$9.3 million dollars and the longer it is put off, the more expensive it was going to be. He stated that part of the requested \$9.3 million dollars will get them the answer to how much it is going to cost and how much they were willing to pay. He stated that the process is expensive to get to the point that they need to be to make an informed decision and to have a referendum. He stated that he was asking the Board to not drag this on any further and include the \$9.3 million in the process tonight. He stated that they have been moving in fits and starts for at least three and a half years. He stated that they can kick the can down the road and this Board can be just like its predecessors.

Mr. Lee asked what the requested \$350,000 for VMDO will get them.

Dr. Parker replied that the \$350,000 will get them to the schematic design, but Mr. Moje with VMDO stated at the last work session, that it will take an additional \$1 million dollars to get to the point to where they can make an informed decision. He stated that they were hoping to have that done by December.

Mr. Lee stated that now they were talking about \$1.3 million to get what they need to make the decision.

Dr. Parker stated that it was all speculation until they have something concrete.

Mr. Larson asked what was the plan going into the spending of the \$9.3 million.

Dr. Parker replied that they did not know what was going to come out of this process. He stated that it could be one building or three buildings. He stated that the thing about this process that needed to be understood was that they hope to present a master plan, then it was up to the Board of Supervisors to decide what it will be able to fund.

Dr. Westbrook stated that he knew Mr. Larson and Mr. Lee were not at the last joint meeting, but if they read through the minutes, Mr. Moje of VMDO said that it would take approximately \$1 million dollars to get to the answer of how much it was going to cost. He stated that the \$9.3 million is a good beginning to get started and start construction. He stated that they would not spend any money that the Board of Supervisors doesn't want them to spend. He stated that they cannot have a referendum until they know what to vote for or against. He stated that he had presented the Board with a timeline back to 2012 where there had been thirty-three public meetings for the citizens of the community to participate in.

Mr. Larson stated that the School Facilities Committee made specific recommendations about building two new schools and renovating the existing middle school and there was a dollar figure associated with it. He asked why that could not be put out to public referendum.

Dr. Parker replied because they would be having a referendum on facts that are not in evidence and they do not know how much it is all going to cost.

Mr. Larson stated that there were a number of members of the School Facilities Committee that were upset about the fact that there is movement all around with different plans.

Dr. Parker stated that the only thing that has changed is that they now have a piece of land for a campus that will accommodate the entire student population.

Mr. Larson asked Dr. Parker did he or did he not come up to him before a meeting and tell him that the price had changed from \$71 million to \$40 million dollars for the school project.

Dr. Parker replied that he did not say it was going to be \$40 million, but said he did not think it would be as much as \$71 million.

Mr. Larson stated that he remembered it well because he thought Dr. Parker assumed he was an idiot and that he would look at what was presented and not see that it was for only one school.

Dr. Parker stated that, as he had just said, they don't have an idea of what the cost is going to be. He stated that they have an approximation and whatever is decided on, it will be more than the requested \$9.3 million dollars. He stated that was his point tonight as a citizen.

Mr. Bellows stated that, in 2012, renovation estimates for the facilities were around \$40 million dollars. He stated that, in 2018, the costs would be much higher.

Mr. Lee stated that approximately a little over a million dollars will get them something that they can look at and pin down a price.

Dr. Parker stated that he believed that it will.

Mr. Lee stated that another point is that they don't have \$1.5 million dollars, so they are being asked to go and borrow the money, not knowing where it will lead.

Dr. Westbrook stated that it was no different than paying for a home inspection before you purchase a house. He stated that you pay for a home inspection to make sure your investment will be sound. He stated that this is paying someone to give the information needed to make a decision.

Dr. Parker stated that the alternative would be to not provide the schools the funds to get to the point that they need to be and then they would be here a year from now doing the same thing. He stated that the choice is the Board's and they were educated gentlemen, but it makes sense to him to approve the \$9.3 million dollars or at least a portion of it, so it will get them to the point to put a number in front of the public.

Mr. Bellows stated that he had been confused until the last joint meeting because there did seem to be several different plans circulating. He stated that what came out of that joint meeting was the concept of the master plan that they were working towards and figuring out what to build and what it is going to cost. He stated that once they had that information, they could sit down and discuss what kind of impact it would have on the tax rates and what they can afford to do. He stated that the decision may be to have it done in phases or to do it all at once. He stated that they have been doing the studies to find out more and more information and that needs to continue. He stated that the more information they have, the more they will be making informed decisions on the taxpayers' behalf. He stated that he was a taxpayer in the County and he knows what impact tax rates have. He stated that he does not want to see taxes go sky high, but they cannot afford to do nothing. He stated that if nothing is done, a year from now they will be in the same boat making the same arguments, but the expenses will be even higher.

Mr. Lee stated that \$9 million has been requested, but approximately \$1.3 million can get them the answers. He stated that they needed to decide how much they were going to borrow.

Dr. Westbrook stated that if it is going to take an estimated \$1 million dollars to get the answers that they need, why don't they borrow \$2 million dollars to give them a cushion. He stated that when they go back to borrow the rest, it will be at a higher interest rate and they will kick themselves for not doing it all at the beginning, but at least they will get the answers that they need.

Dr. Parker stated that after they know what direction they will be going in, then they will have to continue to wait for the additional funding. He stated that was where his frustration comes from because he had personally been doing this for three years now.

Mr. Lee stated that Dr. Parker was making an assumption that after the \$1 million dollars was spent and they received the master plan, that the Board would agree with it all and want to move forward, but it may not.

Dr. Parker stated that, if for some reason the Board decides to do nothing, they can take the borrowed funds and repay the lender.

Mr. Larson stated that depending on the lender, the decision to pay back the loan early is not always an option.

Dr. Westbrook stated that it does not always have to come down to raising property taxes and there are other ways to get revenue. He stated that there were two pieces of legislation coming up in the next General Assembly that could help with this. He stated that they needed to borrow the \$9.3 million dollars and get on with this and if the decision in the future is that they cannot do it all at one time, then they will do what must be done first. He stated that this is maddening and has been going on for so long. He stated that the Board members have been elected to be the leaders, so they need to do what they are supposed to be doing.

Mr. Larson stated that he thought that was what they were trying to do, but had different ways to go about it.

Mr. Larson asked what the actual deliverable was for the \$350,000 to VMDO. He stated that there was \$85,000 going towards preliminary educational programming and asked what that meant. He stated that there was no deliverable information specified, so they don't know what they are going to get out of it.

Mr. Larson asked that, given that the school enrollment has decreased, why can't the primary school be closed and take those monies that are used to maintain it and put that to whatever they are going to do. He stated that he has asked the question before and got a lot of throw-away answers, like they can't pack all of the students in the middle school. He stated that he would like the courtesy of being given the reason in specific terms.

Dr. Parker stated that, with all due respect, that is a School Board decision. He stated that his understanding was that this was a public hearing and he was speaking as a citizen.

Mr. Larson stated that, by the same token, Dr. Parker was not an ordinary citizen and since he was the School Superintendent, he wanted to know, in specific terms, why the primary school had not been closed instead of using it as a whipping boy for new schools.

Dr. Parker stated that he had never used the primary school as a whipping boy for anything.

Mr. Larson stated that maybe Dr. Parker had not, but those that support the new schools have. He asked why they have not done something to achieve efficiencies there.

Mr. Bellows stated that he thought they should ask the Board of Supervisors that question. He stated that the School Board had done its job by presenting a plan to the Board of Supervisors, but it has not been funded or moved forward with.

Dr. Parker stated that what it would cost the County to renovate one of our other buildings to accommodate early childhood, kindergarten and first grade is part of what is being considered right now. He stated that you just can't move three-year old children into a classroom designed for sixth graders. He stated that there are requirements, the Department of Education's Standards of Quality, that must be met, such as restrooms in each classroom. He stated that it is not as easy as you would think and would cost more than \$9.3 million dollars.

Mr. Larson asked if Dr. Parker knew that to be a fact.

Dr. Parker replied that he could guarantee that the renovations that are necessary to move those children into an existing building would cost more than \$9.3 million dollars.

Mr. Larson asked if it would cost more than that to renovate the old community library that the schools had to have a few years ago. He stated that building just sits there and is not used for anything other than the School Board meetings.

Dr. Parker stated that the old community library building is also used for trainings and used almost everyday.

Mr. Lee asked about the costs of renovating the middle school.

Dr. Parker stated that, to turn the current middle school into an elementary school, the original estimate was \$26 million dollars. He stated that would be for grades pre-kindergarten through fifth grade.

Mr. Larson asked Dr. Parker to define the deliverable for the \$350,000.

Dr. Parker replied it was for schematic design.

Mr. Larson asked how does that play into preliminary educational programming.

Dr. Parker replied that how they design our schools has a great deal to do with how they program their education.

Mr. Larson asked if that had been discussed before during the eighteen month period that the School Facilities Committee met. He asked if it could be done without spending \$85,000 with VMDO.

Dr. Parker replied that it all fits together in the process. He asked how can you design facilities if you don't what the educational future of the division is.

Mr. Larson stated that Dr. Parker has given speeches about his vision of education and it sounded good, quite frankly.

Dr. Parker stated that this was not Steve Parker's vision, this is a community vision. He stated that, right now, they are starting with the staff and then move to the larger community after that. He stated that he could design a school tomorrow based on his vision and philosophy, but it is not about him, it's about the community.

Mr. Larson asked had he not gone to the community before now.

Dr. Parker replied thirty-three times since 2012.

Mr. Larson stated that he knew Dr. Parker had gone to the community many times, but there is not documentation or meeting minutes.

Dr. Westbrook stated that he had given Mr. Larson documentation and the minutes of every meeting. He stated that if you don't want to know something, there is no amount of evidence or proof you cannot ignore.

Mr. Bellows stated that there was also a very thick book from RRMM that describes each of the possibilities that was put out in 2012. He stated that there have been sufficient studies done on the facilities.

Gary Silverman, a District 1 citizen, stated that he understood that it was a lot of money and he understood Mr. Larson's perspective. He stated that, so everyone will understand his background, he has worked on capital projects from \$10 million to \$150 million dollars. He stated that what VMDO is doing is not uncommon by coming up with rough estimates. He stated that, even after spending a million dollars, there will still be a considerable amount of contingencies because they are not going to know what other issues may come up. He stated that they have to talk to the teachers to help design the school. He stated that he has been told that they are going to optimize capacity. He stated that one of the worst used spaces is the auditorium, so with a campus, it could be optimized with scheduling between the various grades. He stated that things such as this must be studied to get all of the answers.

Dr. Silverman stated that he did not think a referendum was necessary for the school project because the Board has been voted into office by the public to make decisions for the County. He stated that you needed to have the guts to move forward with what you believe your constituents would want.

Mr. Larson stated that he wished Dr. Silverman would not say that. He stated that he did not need to be told that he needed guts or to “man up”. He asked that Dr. Silverman not use that terminology.

Dr. Silverman apologized and stated that he did not mean to offend Mr. Larson.

Mr. Larson stated that Virginia was one of a few states that does not handle these issues with a public referendum. He stated that when you are talking about forty years of this hanging over the heads of Lancaster County citizens, a lot of anger and emotion can come out of it.

Mr. Bellows stated to Chairman Lee that they were in the middle of a public hearing and he thought Mr. Larson should continue with his comments at a later time.

Mr. Larson stated that he would make his comments later.

Another citizen stated that the problem he had personally is if the \$9.3 million dollars is approved, what happens if the County gets an estimate and decides to spend the rest of the money on the beginnings of construction, then the chance to have a public referendum would be lost. He suggested approving the \$2 million dollars to do the studies and then putting it out to the public for them to make the decision.

Howard Kyzer, a District 3 citizen, asked if the Board of Supervisors was planning on getting the money from the Economic Development Authority.

Mr. Lee replied that they did not know yet.

Mr. Kyzer stated that he was a member of the Economic Development Authority (EDA) for sixteen years and they can give up to \$10 million a year. He stated that if the Board needed to spend \$1 million or a little more to get the facts, he thought it would be a good idea, so that everyone is on the same page. He stated that, after January 1, the EDA can issue up to \$10 million dollars again. He stated that the process can happen pretty quickly.

Mr. Lee closed the public hearing.

Mr. Larson thanked Mr. Bellows for correcting him as far as being appropriate and saying things at the proper time. He stated that he wanted to

congratulate the schools and he wanted to acknowledge the volunteers that give their time tutoring the children. He stated that he had a great deal of respect for the teachers and the school administration and their purview was about education. He stated that the purview of the Board of Supervisors is about the money. He stated that, for several years, the County has been spending considerably more money than it has been taking in. He stated that, a couple of years ago, it was as bad as a two million dollar shortfall and the Board made the decision to raise taxes five cents, but still left a million dollar shortfall. He stated that this Board, through a lot of hard work this year, made a lot of cuts, but still had a \$600,000 shortfall. He stated that as they execute the budget for FY19, they project that they will spend \$600,000 more than what they will bring in. He stated that, early on, they set seven percent as a minimum for the fund balance, so they can't keep drawing from it. He stated that it is in this bleak fiscal environment that they are now talking about spending \$60 to \$80 million dollars for new schools. He stated that there is also no plan to what is going to happen to the school buildings that will be replaced. He stated that one of the suggestions was to harden the high school to be used for an emergency shelter, but no one knows how much that will cost or if it is even feasible.

Mr. Larson stated that he was sure that if they go down this road, or even start to go down this road and end up creating an obligation for themselves of some \$80 million dollars, it is not going to achieve the results that they expect. He stated that, with all due respect to Mr. Chamberlain, who said "build it and they will come", that is not realistic. He stated that they have been talking about, for example, giving tax relief to low-income people, but what does that mean for everyone else. He stated that the higher income population's tax rates were going to go up even further than what they might project otherwise. He stated that it had been implied and in some cases, stated that they could go after the waterfront taxpayers because eighty percent of them, which is a statistic that he did not believe, don't live in the County anyway and can't vote, so the money can come from them. He asked what kind of message does that send. He stated that all of these discussions have centered around the thinking that "let's just go on and do it and figure out how to pay for it later." He stated that, at no time, have they talked about the pressures that will have to be faced in the next forty years. He stated that he will not vote for any money to be spent on a project that is going to take them down this road to that kind of debt. He stated that he has asked about a deliverable for the \$350,000 for VMDO and it's not there. He stated that they will get something, he supposes. He referred to the \$9.3 million dollars and asked if anybody could tell him that there won't be someone who comes forward with an argument after the \$9.3 million is spent, saying "we already put \$9.3 million into this, so how can we step away from it now." He stated that he has seen it happen, where there is a lot of money involved and then the idea is that the project has to keep going, no matter the costs. He stated that he will vote for the things on the Capital Improvement Budget that they have to have, such as new school buses and the necessary things, but that is where he will stand on this school issue. He stated that



teachers, administration and tutors are very important in the education process, but it is the parents that make the difference in the quality education of a child. He stated let's not say it's going to be the buildings.

Mr. Lee stated that one thing they know is that the County has one school that the kids should not be in and that's the primary school. He stated that he can accept spending the money to get the information that is needed. He stated that he was under the impression that the \$350,000 was going to give them the needed information, but now it is going to cost them a million dollars more. He stated that he could go with the decision to borrow \$2 million dollars and get this thing done by December and then decide what they are going to do, because they are going to do something. He stated that the study needs to be completed and then they can make some decisions. He stated that would be his limit until they can get some concrete facts. He asked Dr. Parker would they have the needed information by December.

Dr. Parker replied roughly.

Mr. Lee stated that \$2 million dollars should cover it, because they are talking about a little over a million dollars. He stated that was where he stood on the subject.

Mr. Bellows stated that they must realize that the costs are not going down. He stated that Northumberland County built their school eight to ten years ago for almost fifty million dollars, so they need to be prepared that the number is at least going to be somewhere around there. He stated that he thought they needed all of the facts to proceed.

Mr. Palin stated that he could support the \$2 million dollar figure to get them the necessary facts.

Dr. Westbrook referred to the FY19 Capital Improvement Budget spreadsheet and stated that they had talked about the \$349,300 to VMDO, but in fact, the penny tax increase from FY18 is \$252,534 and the SNAP account that is earmarked for school needs is \$134,693, which gives them a total of \$387,227, more than enough to take care of that expense, which by consensus this Board told Dr. Parker to sign that contract. He stated that if they subtract the \$349,300 from the earmarked accounts, as well as the school security grant expense, there will be \$12,927 left over. He stated that, as he figures it, they can afford to pay for everything requested on the Capital Improvement Budget except the \$9.3 million dollar request. He stated that he would like for them to do the total \$9.3 million dollar request knowing that if they decide to interrupt the process, as Mr. Moje said in the minutes of the meeting that Mr. Lee and Mr. Larson missed, and the money is not spent, then it can go back. He stated that it came up at a previous meeting, where he said that they should have public meetings to let the public help them decide how to repurpose the existing

schools. He stated that Mr. Larson had asked him for some examples and he had said hardening a part of one of the schools to serve as a shelter, a home for the Emergency Services Department and a community center were some of his ideas. He stated that they were just ideas off the top of his head and the community input would be helpful in this area.

Mr. Larson stated that he had no problem with the other items presented on the Capital Improvement Budget, but he did have a question on the paving request at the Windmill Point Boat Ramp. He stated that his concern is that the area is private property and they were proposing to spend public funds on a road that is on private property.

Mr. Cornwell stated that the County has a lease agreement.

Mr. Larson asked if they had agreed to upgrade that road with paving.

Mr. Bellows stated that the County agreed with the neighbors that the road would be maintained.

Mr. Larson asked what that meant.

Mr. Bellows replied that it meant to maintain it so that it is not full of potholes. He stated that the County has been maintaining it by putting gravel down, but it isn't holding up and every three months or so, they are spending a couple of thousand dollars on gravel and installation. He stated that he had asked Mr. Gill to get some bids on a more permanent fix.

Mr. Palin stated that in the long run, it would be cheaper.

Mr. Bellows agreed and stated that it would be a better surface for the boaters and it will keep the people that the County made the agreement with happy.

Mr. Larson stated that it still went back to putting public funds into private property. He stated that the boat ramp itself was supposed to be paid for by the owner at Windmill Point, per the master plan.

Mr. Bellows stated that was a previous developer that made the master plan, not the current owner.

Mr. Larson stated that it did not matter, the master plan was approved and is on record and any subsequent owner was bound by the master plan.

Mr. Bellows stated that only if they could do what was in the master plan, which they didn't do.

Mr. Larson stated that he did not agree with that, but it is done. He stated that the County has paid for the boat ramp twice because it had to be redone. He stated that he did not want to see them compound the problem by paving the road.

Mr. Lee asked Mr. Gill what had been spent on the road so far.

Mr. Gill replied that the County has a 25-year lease on the boat ramp parcel plus the easement for access from Windmill Point Road. He stated that they have spent approximately \$1500 every three months on gravel. He stated that the argument is that the boat trailer and truck traffic is causing more potholes than the normal traffic that was there before the boat ramp installation. He stated that he thought Mr. Bellows' point was that if they have to keep putting gravel down at \$1500 three or four times a year, eventually they would get to the \$40,000 mark over the twenty-five year period.

Mr. Larson stated that a paved road still requires maintenance.

Mr. Gill agreed.

Mr. Bellows stated that the paved road will have to be sealed and maintained, but he believes it will be cheaper in the long run and provide a better service for everyone who uses the road.

Mr. Lee stated that he was looking for the figure to take the \$9.3 million dollar request down to \$2 million and include the other items on the Capital Improvement Budget.

Mr. Gill stated that the total at the bottom of the sheet is \$10,230,083 so if \$7.3 is taken away from that, it leaves \$2,630,083.

Mr. Lee made a motion to Approve the Capital Improvement Budget for FY 2019 for a total of \$2,630,083.

VOTE:	William R. Lee	Aye
	Jason D. Bellows	Aye
	Jack D. Larson	Nay
	Ernest W. Palin, Jr.	Aye
	Robert S. Westbrook	Nay

VOTE: 3-2 (Motion passed.)

Mr. Gill stated that, to clarify, the only difference is the \$9.3 million dollar request will now be \$2 million dollars.

Dr. Parker stated that he had a different figure of \$2,930,083.

Mr. Gill stated that Dr. Parker was correct.

Mr. Lee stated that he amended his motion to Approve the Capital Improvement Budget for FY 2019 for a total of \$2,930,083.

VOTE:	William R. Lee	Aye
	Jason D. Bellows	Aye
	Jack D. Larson	Nay
	Ernest W. Palin, Jr.	Aye
	Robert S. Westbrook	Nay

VOTE: 3-2 (Motion passed.)

**CONSENSUS DOCKET**

Motion was made by Mr. Bellows to approve the Consensus Docket and recommendation as follows:

1. Minutes for July 12<sup>th</sup> Capital Improvement Budget Work Session, July 20<sup>th</sup> Special Meeting, July 26<sup>th</sup> Regular Meeting and August 7<sup>th</sup> Joint Capital Improvement Work Session with the School Board

Recommendation: Approve minutes as submitted

VOTE:	William R. Lee	Aye
	Jason D. Bellows	Aye
	Jack D. Larson	Aye
	Ernest W. Palin, Jr.	Aye
	Robert S. Westbrook	Aye

**CONSIDERATION DOCKET**

The Board considered the following items on its Consideration Docket:

1. Approval of August 2018 Salaries and Invoice Listings

The motion was made by Mr. Palin to approve the salaries for August 2018 in the amount of \$320,637.95 and invoice listings for August 2018 in the amount of \$678,612.55.

VOTE:	William R. Lee	Aye
	Jason D. Bellows	Aye
	Jack D. Larson	Aye
	Ernest W. Palin, Jr.	Aye
	Robert S. Westbrook	Aye

2. Resolution Supporting the Use of Increased Sales Tax Revenue for School Construction and Improvement

Mr. Lee asked Mr. Gill to present the issue.

Mr. Gill stated that the issue was the consideration of a resolution supporting the use of increased sales tax revenue for school construction and improvement.

Mr. Gill stated that Virginia Delegate James Edmunds will introduce a bill during the next General Assembly session that would allow localities to charge additional sales tax, conditioned upon a local referendum approving such sales tax, with the revenue generated being returned to the localities for the purpose of providing funding for public school capital improvement items. He stated that the Lancaster County School Board passed a similar resolution on August 14, 2018 and the resolution is modeled after a similar one approved by Halifax County.

Mr. Lee stated that this resolution is to show that Lancaster County supports the use of increased sales tax for school construction and improvement when the issue goes to the General Assembly and if the legislation is passed, there still has to be a referendum.

Mr. Lee made a motion to Approve the Resolution Supporting the Use of Increased Sales Tax Revenue for School Construction and Improvement.

**SUPPORTING THE USE OF INCREASED SALES TAX REVENUE  
FOR SCHOOL CONSTRUCTION AND IMPROVEMENT**

**WHEREAS**, in 2013 the Virginia General Assembly approved a sales tax increase in certain localities for Infrastructure Development from 5.3 to 6.0 percent to relieve traffic congestion, making available billions of dollars of local funding for infrastructure; and

**WHEREAS**, Virginia collects 5.3 percent of sales taxes with 1 percent going to the locality, currently representing over 1.5 million dollars annually to Lancaster County; and

**WHEREAS**, school building needs in many Virginia localities including Lancaster County have become as acute a problem as traffic congestion in Northern Virginia and Hampton Roads; and

**WHEREAS**, the Virginia Senate has recognized the need for school buildings and developed a committee chaired by state Senator William Stanley to address obsolete buildings; and

**WHEREAS**, rural localities, in general, lack an adequate tax base to support and fund major capital needs; and

**WHEREAS**, school children living in rural areas of Virginia should not be at a disadvantage as compared to other localities in attending safe, healthy school buildings; and

**WHEREAS**, Virginia Delegate James Edmunds has recognized that the local needs of Lancaster County Public Schools align with the needs of many localities across the Commonwealth; and

**WHEREAS**, the funding of capital projects constricts local and school system operating funding and infringes on money for teacher pay and public safety; and

**WHEREAS**, state sales tax dollars invested in local construction projects would make available more local dollars to invest in operation of schools, including more competitive teacher pay and meeting other pressing needs; and

**WHEREAS**, sales tax revenue specifically earmarked for school funding would allow a locality to spend local property tax dollars on such needed areas as public safety, school operating budget, and refuse collection and disposal; and

**WHEREAS**, sales tax revenue specifically designated for school infrastructure funding should not be counted towards the Local Required Effort for educational funding; and

**WHEREAS**, it is in the interest of having a thriving public education system that any enabling legislation guarantees that localities cannot supplant funding from schools' operational budgets if new revenue is generated from a school infrastructure sales tax; and

**WHEREAS**, state enabling legislation is legally required for an additional sales tax which would be expressly dedicated to public school capital project funding; and

**WHEREAS**, each locality should obtain the support of its community by way of a referendum approving any local sales tax increase for school improvement and construction;

**NOW, THEREFORE BE IT RESOLVED**, that the Lancaster County Board of Supervisors does hereby express its support and desire for the Virginia General Assembly to enact such legislation as is necessary to permit localities to charge additional sales tax, conditioned upon a local referendum approving such sales tax, with the revenue generated thereby being returned to the localities for the express and exclusive purpose of providing funding for public school capital improvement and building purposes, with no dilution of Local Required Effort towards educational operational funding. Once a project for which a referendum is held and approved is completed and all attendant debt satisfied by the increased sales tax and other available revenue sources, the additional sales tax would cease to be charged.

VOTE:	William R. Lee	Aye
	Jason D. Bellows	Aye
	Jack D. Larson	Nay
	Ernest W. Palin, Jr.	Aye
	Robert S. Westbrook	Aye

VOTE: 4-1 (Motion passed.)

3. Consideration of a Proposed Ordinance for the Creation of a Registry for Short-Term Rental of Property

Mr. Lee asked Mr. Gill to present the issue.

Mr. Gill stated that the issue was the consideration of a proposed ordinance for the creation of a registry for short-term rentals of property. He stated that, at the July meeting, the Board asked County Attorney Jim Cornwell to draft such an ordinance. He stated that the purpose of this ordinance would be to document short-term rentals, such as AirBNB's. He stated that these types of short-term rentals would fit in our zoning ordinance under "Bed and Breakfast" and "Tourist Home." He stated that Bed and Breakfast is defined as a dwelling where overnight lodging is provided, with or without food, for compensation. He stated that this use is permitted in the A-2, Agricultural General District and the R-1, Residential General

District, but both require special exceptions from the Board of Supervisors. He stated that Tourist Home is defined as a dwelling where only lodging is provided for compensation for up to 14 persons and open to transients. He stated that Tourist Home uses are permitted in the R-3, Residential Medium General District and the C-1, Commercial District and both of these are by-right permitted uses. He stated that this ordinance would require short-term rentals to be registered and enable county staff to confirm zoning ordinance compliance. He stated that the ordinance also provides regulations that would prohibit this use upon multiple violations of state and local laws.

Mr. Gill stated that the Planning Commission considered this ordinance at its August meeting and he had included the draft minutes in the Board's packages. He stated that the consensus from that meeting was that some of these short-term rentals should be by-right and should not require the special exception. He stated that the rationale was that "whole house" rentals should require a special exception to protect adjoining property owners, but that some of these short-term rentals involved renting only a room or two and could conform to the by-right "home occupation" definition. He stated that was how the Planning Commission left it.

Mr. Bellows asked if there were any regulations in the zoning ordinance on just the general leasing of property.

Mr. Cornwell replied no, if the leasing is over thirty days.

Mr. Gill stated that this ordinance would apply to short-term rentals of less than thirty days.

Mr. Cornwell stated that, recently a citizen spoke to the Board concerning an AirBNB that she was not aware of in her neighborhood. He stated that this ordinance would require people who rent out houses for short-term occupancy to register with the County. He stated that there would be a \$50 annual registration fee and it was just a suggested amount. He stated that there would be a \$500 penalty if the property owner does not register, which is also a suggested amount and can be lower, but not higher. He stated that what this does is require people who have those facilities to register with the County. He stated that the zoning issue would be something totally different.

Mr. Bellows asked if this ordinance would have to be passed to pass the next one regarding occupancy tax.

Mr. Lee replied no.

Mr. Bellows asked if they did not need a list in order to apply the tax.

Mr. Cornwell stated that if the County has a transient occupancy tax and it doesn't know that someone is renting a place, it will not be collectible, but once



they are caught up with, the ordinance would be enforced. He stated that the transient occupancy tax is on the transient and the registry would be on the property owner.

Mr. Lee stated that this issue has generated a lot of discussion.

Mr. Bellows stated that he would not be in support of the ordinance.

Mr. Gill stated that, because it is a proposed ordinance, it would have to go to public hearing.

Mr. Bellows stated that, in his opinion, the County's zoning ordinance covers most of the issues related to this. He stated that citizens were already paying taxes on their property and what they do in it, as long as it doesn't violate any other laws or rules, is none of the government's business.

Mr. Larson asked Mr. Bellows if he saw it as a source of tax revenue.

Mr. Bellows replied that the property owners were already paying their taxes and in his opinion, it would be double taxation. He stated that they didn't tax other home occupations under some special policy. He stated that he did not see why they want to single out people who want to rent out a room in their house when they are already paying taxes and he will not support this. He stated that he disagreed with both the registry and the occupancy tax issues fundamentally.

Dr. Westbrook stated that he was totally in favor of it.

Mr. Larson agreed.

Mr. Lee stated that, with all of the discussion surrounding the issue, it would be prudent for it to go to public hearing.

Mr. Larson made the motion to Forward the Proposed Ordinance for the Creation of a Registry for Short-Term Rental of Property to a Public Hearing.

VOTE:	William R. Lee	Aye
	Jason D. Bellows	Nay
	Jack D. Larson	Aye
	Ernest W. Palin, Jr.	Aye
	Robert S. Westbrook	Aye

VOTE: 4-1 (Motion passed.)

4. Consideration of a Proposed Transient Occupancy Tax Ordinance

Mr. Cornwell, County Attorney, stated that for the Board’s consideration and to determine whether they wish to advertise it for public hearing is a possible transient occupancy tax. He stated that this would be a tax on a transient of two percent, which is the state limit, for occupying for fewer than thirty days any room or space that is suitable or intended for occupancy for transients for dwelling, lodging or sleeping purposes. He stated that this proposed tax would not apply in the towns that already have a transient tax. He stated that the tax would be collected by the person renting the space and paid to the County.

Mr. Bellows stated that if the citizen owns the house and pays the taxes, what they do in the house, as long as they don’t violate the laws of the Commonwealth of Virginia, the federal government or the zoning rules, is none of the government’s business.

Mr. Cornwell stated that the transient occupancy tax applies to any facility such as hotels as well. He stated that he understood that the towns of Kilmarnock and Irvington had the tax too.

Mr. Bellows stated the only hotel that would fall into the category is the Whispering Pines Motel, so it would be like applying the tax against just one business.

Mr. Lee made a motion to Forward the Proposed Transient Occupancy Tax Ordinance to Public Hearing.

VOTE:	William R. Lee	Aye
	Jason D. Bellows	Nay
	Jack D. Larson	Aye
	Ernest W. Palin, Jr.	Aye
	Robert S. Westbrook	Aye

VOTE: 4-1 (Motion passed.)

5. Consideration of a Proposed Precious Metals Dealers Ordinance

Detective Steve Sorensen of the Lancaster County Sheriff’s Department stated that what he would like is an ordinance that states that when a business takes in precious metals and gems, it keeps record of the transactions and those records would be open to the Sheriff’s Department, so that they could check for

stolen merchandise. He stated that he had presented the issue before and felt like it had been well received, but for whatever reason, the issue never was discussed again. He stated that he had discussed the issue with Attorney Wayne Nunnally and that Mr. Nunnally had sent the proposed ordinance to the Board members for their review. He stated that the Sheriff, the Commonwealth's Attorney and Mr. Nunnally are all in favor of the ordinance. He stated that, currently, the ordinance only covers transient people. He stated that the proposed ordinance would not help the towns of Kilmarnock, White Stone, and Irvington, but if the County decided to adopt the ordinance, he would hope that the towns would follow suit and he planned on speaking to them about it.

Dr. Westbrook stated that if someone breaks into his home and steals the massive amounts of gold that he keeps under his bed, they could take it to a business and the business could melt the gold down immediately. He stated that if he filed a report with the Sheriff's Department and they go to the business, that business could say that they were unaware of the gold, so isn't it a delay factor that they were talking about.

Mr. Sorensen stated that the state laws that were referenced were for pawn shops and there are no pawn shops here.

Mr. Lee stated that this issue came before the Board last year and he thought it was a done deal, but it slipped through the cracks.

Mr. Bellows agreed.

Mr. Cornwell suggested that the Board allow him to revise and revamp the ordinance and bring it back for the Board's consideration before it goes to a public hearing.

Mr. Bellows made a motion to Table the Proposed Precious Metals Dealers Ordinance until next month.

VOTE:	William R. Lee	Aye
	Jason D. Bellows	Aye
	Jack D. Larson	Aye
	Ernest W. Palin, Jr.	Aye
	Robert S. Westbrook	Aye

6. Consideration of a Resolution Opposing Any Reduction in Vertical or Horizontal Clearances with VDOT's Proposed Norris Bridge Replacement

Mr. Lee asked Mr. Gill to present the issue.

Mr. Gill stated that this consideration item concerns opposing any reduction in the vertical or horizontal clearances with VDOT's proposed Norris Bridge replacement, whenever that happens. He stated that County staff was notified by VDOT on Tuesday, August 21<sup>st</sup> that the Coast Guard had opened a preliminary public comment period regarding VDOT's proposed future replacement of the Norris Bridge with a bridge that has significantly reduced vertical and horizontal clearances. He stated that the Coast Guard must approve those reduced clearances. He stated that the public comment period was opened on July 31<sup>st</sup>, but the County was not notified until August 21<sup>st</sup> and the period ends tomorrow. He stated that he forwarded the notice as soon as he had received it to several marinas and sailboat owners asking them to comment to the Coast Guard and forward it to others. He stated that, since that time, he and Supervisor Bellows have received numerous emails requesting that the County provide comments. He stated that Supervisor Bellows asked that he prepare a resolution for the Board's consideration.

Mr. Lee stated that he could not see any reason why the Board would not support the resolution.

Dr. Westbrook stated that he would like to support the resolution, but also would like to send a letter of disappointment to the Coast Guard and VDOT about not being notified sooner as a public body.

Mr. Bellows stated that there were still some discrepancies about the advertisement itself not being accurate based on the chart data that is on the actual Coast Guard charts. He stated that he did not know if they had ever received any answers on that issue either.

Mr. Gill stated that the Coast Guard representative told him that the comment period could be extended if VDOT, the bridge owner, requested it.

Mr. Bellows stated that he could add to his motion that the Board of Supervisors requests a thirty-day extension on the comment period.

Mr. Palin suggested that the resolution also be sent to Rob Wittman's office.

Mr. Bellows made a motion to Approve the Resolution Opposing Any Reduction in Vertical or Horizontal Clearances with VDOT's Proposed Norris Bridge Replacement and Request a Thirty-Day Extension on the Comment Period and send the Resolution to the Coast Guard, VDOT and Congressman Rob Wittman.

## **Opposing Any Reduction in Vertical or Horizontal Clearances with VDOT's Proposed Norris Bridge Replacement**

**WHEREAS**, the United States Coast Guard (USCG) is seeking public input on the Virginia Department of Transportation (VDOT) proposed plan to replace the Robert O. Norris Bridge with a future new bridge with substantially reduced vertical and horizontal clearances; and

**WHEREAS**, the existing Robert O. Norris Bridge is an iconic landmark which connects Lancaster and Middlesex Counties and serves as the Southern Gateway to the Northern Neck of Virginia; and

**WHEREAS**, this section of the Rappahannock River is the largest area of deep and wide water within Virginia and is used extensively by recreational boaters and commercial vessels seeking service and repair at the many boatyards and marinas located upriver in Carter Creek, the Corrotoman River and other tributaries; and

**WHEREAS**, the existing Robert O. Norris Bridge has high vertical clearances and wide horizontal clearances with no designated navigation channel allowing vessels to transit under the bridge at any location; and

**WHEREAS**, the VDOT proposal for bridge replacement significantly reduces the center span vertical clearance from 110 feet to 75 feet; and **WHEREAS**, the VDOT proposal for bridge replacement includes narrower spans for the whole bridge which will significantly reduce horizontal clearances, specifically, vessels up to 110 feet tall now have 360 feet of horizontal clearance, but the proposed is zero, vessels up to 75 feet tall now have 565 feet of horizontal clearance, but the proposed is 300 feet, and vessels up to 50 feet tall now have 620 feet of horizontal clearance, but the proposed is 350 feet.

**NOW, THEREFORE BE IT RESOLVED**, that while the Lancaster County Board of Supervisors supports the replacement of the Robert O. Norris Bridge, since the 61-year old structure is rapidly reaching the end of its useful life, the Lancaster County Board of Supervisors **OPPOSES** any reduction in vertical or horizontal clearances of any replacement bridge as that would prevent tall commercial vessels and tall recreational boats and sailboats from being able to transit under the bridge creating a loss of income for boatyards, marinas and other hospitality establishments upriver, negatively impacting tourism and economic development in our area; and

**BE IT FURTHER RESOLVED**, that the Lancaster County Board of Supervisors **OPPOSES** any reduction in vertical or horizontal clearances of any replacement bridge as that would concentrate boat traffic under a center span creating less room for vessels to pass, increasing the collision potential with other boats and fixed objects of the bridge and result in a very dangerous navigation channel; and

**BE IT FINALLY RESOLVED**, that a copy of this resolution expressing the sense of the Board of Supervisors of Lancaster County on this matter be conveyed to the United States Coast Guard and the Virginia Department of Transportation and be spread upon the meeting minutes of said Board of Supervisors.

VOTE:	William R. Lee	Aye
	Jason D. Bellows	Aye
	Jack D. Larson	Aye
	Ernest W. Palin, Jr.	Aye
	Robert S. Westbrook	Aye

**BOARD REPORTS**

Dr. Westbrook made a motion to nominate Bruce Sanders to the Lancaster County Economic Development Authority as a representative from District 5.

VOTE:	William R. Lee	Aye
	Jason D. Bellows	Aye
	Jack D. Larson	Aye
	Ernest W. Palin, Jr.	Aye
	Robert S. Westbrook	Aye

**COUNTY ADMINISTRATOR**

Mr. Gill stated that the next hazardous waste collection date is Saturday, September 15<sup>th</sup> at the Kilmarnock site from 9-2.

Mr. Larson asked Mr. Gill if they could get some cost estimates for having more hazardous waste collection days during the year. He stated that it would be good to have the collection day three or four times per year.

Mr. Gill stated that the Soil and Water Conservation District actually has eight of these collection dates a year because they do the collection day twice a year for each of their participating counties. He stated that he would do more research on it.

**ADJOURNMENT**

Mr. Bellows made a motion to adjourn the meeting.

VOTE:	William R. Lee	Aye
	Jason D. Bellows	Aye
	Jack D. Larson	Aye
	Ernest W. Palin, Jr.	Aye
	Robert S. Westbrook	Aye