

**BOARD OF SUPERVISORS  
REGULAR MEETING  
JUNE 14, 2011**

At the regular meeting of the Board of Supervisors of Floyd County, Virginia, held on Tuesday, June 14, 2011 at 8:30 a.m. in the Board Room of the County Administration Building, thereof;

PRESENT: David W. Ingram, Chairman (entered the meeting at 10:00 a.m.); J. Fred Gerald, Vice Chairman; Virgel H. Allen, Case C. Clinger, William R. Gardner, Jr., Board Members; Daniel J. Campbell, County Administrator; Terri W. Morris, Assistant County Administrator.

The Vice Chairman called the meeting to order at 8:30 a.m. with the reading of the handicapping statement.

Vice Chairman Gerald reminded everyone that June 14 is Flag Day and read a poem concerning our country's veterans and their role in our freedom. He then led in the Opening Prayer.

Supervisor Clinger led in the Pledge of Allegiance.

The minutes of May 18, 2011 were presented to the Board for review and approval.

On a motion of Supervisor Gardner, seconded by Supervisor Clinger, and carried, it was resolved to approve the minutes of May 18, 2011 as presented.

Supervisor Clinger – aye  
Supervisor Gardner – aye  
Supervisor Allen – aye  
Supervisor Gerald – aye  
Supervisor Ingram – absent

The monthly disbursements were presented to the Board for review and consideration. A list of additional bills was also presented for the Board's approval. Questions and discussion followed.

On a motion of Supervisor Clinger, seconded by Supervisor Gardner, and carried, it was resolved to approve the monthly disbursements and additions, as presented.

Supervisor Clinger – aye  
Supervisor Gardner – aye  
Supervisor Allen – aye  
Supervisor Gerald – aye  
Supervisor Ingram – absent

Ms. Stephanie Shortt, Commonwealth's Attorney, next appeared before the Board. She reported: Since I hadn't been here in a couple of months, I thought I would update you on our participation with the multi-jurisdictional drug task force of Craig, Montgomery and Floyd Counties and the recent drug round-up. There are significant case numbers for indictments. At the time of the indictments, there were approximately 100 indictments with 50 defendants. However, when these indictments were issued, additional charges/warrants were issued. As you may have heard, there was one active meth lab and those folks were charged. As well as additional people, when they were served, were found with additional drugs which resulted in additional charges. I don't have the specific numbers but I'm sure the Sheriff's Department would. As you can imagine, this taxes our already taxed office. I've done what I can as far as putting in an emergency request to the State Compensation Board for emergency temporary funds to hire a temporary Commonwealth's Attorney. This may not result in any action, it all depends on if the Compensation Board has any additional funds left for the fiscal year to apply to this request. I've requested to hire a temporary Assistant Commonwealth's Attorney for a short period of time to assist with the number of charges. Basically, the number of charges issued has doubled in a short period of time. Last year, just by way of comparison, between 2009-2010, our case numbers in Circuit Court alone, increased by over 135 cases. That has already taxed our office's ability to prosecute. We also had a four day jury trial for a homicide case and other trials. With this additional case load, I have requested help for about 20 hours/week from July 1 to December 31, 2011. I did speak with the Compensation Board and they said it wouldn't hurt if the Board of Supervisors wanted to submit a letter in support of that request. I know that you don't have any funds to appropriate for this, but a letter would be appreciated. Many of these defendants have been before the court before and are being held without bond. Right now, there are 15 or so that are being held without bond. If they are being held without bond, their charges are required to be heard within five months, speedy trial. So there is a lot of work required in a short period of time. If this is not approved, it will require me to change the priorities of my office. There has also been a huge increase in crime at the juvenile level which is taking more time. When we see this level of crime at the juvenile level, we really need to pay attention to what is going on. We are seeing so many people with such an addiction to meth and the crime level increases along with that. That continues to keep my office and the Sheriff's Office very busy.

On a motion of Supervisor Gardner, seconded by Supervisor Clinger, and carried, it was resolved to authorize the County Administrator to write a letter of support to the State Compensation Board concerning the Commonwealth Attorney's request for emergency temporary funding for a part-time attorney.

Supervisor Clinger – aye  
Supervisor Gardner – aye  
Supervisor Allen – aye  
Supervisor Gerald – aye  
Supervisor Ingram – absent

Ms. Shortt commented that she had also talked informally with other localities for assistance if the Compensation Board funds do not come through. They are meeting June 22 so hopefully I'll know something shortly after that.

Supervisor Clinger suggested that the Board consider additional funding for Ms. Shortt if Compensation Board funds do not come through. Consensus of the Board was to discuss the matter again at their fiscal year end meeting.

She commented that by request of the County Administrator's Office, that a review of the Regional Jail bill each month will be done to ensure that incarcerated persons being billed to Floyd County are appropriate and accurate.

Mr. Campbell noted that Mr. Cox, Maintenance Director, had almost completed installation of the security door leading into Ms. Shortt's office.

Chief Deputy Bruce Turner and Ms. Fran Weddle, Administrative Assistant, next appeared before the Board.

Chief Turner reported: Presented a letter from Professional Communications concerning a piece of equipment for the Dispatch Center, the microwave system between the tower and Dispatch. We are having all kinds of interference between the two and they have determined that it is wireless routers and other Wi-Fi equipment around town. It is keying up several frequencies that we have and causing interference such as popping and cracking.

Supervisor Clinger suggested speaking with the FCC that they can sometimes assist in clearing up problems.

Chief Turner commented that the Sheriff had presented a bill for a meth lab cleanup in the amount of \$1682.50. There are no other funds available to pay for these cleanups so the costs are coming back to the localities. Discussion followed on receiving restitution from the defendants for cleanup even though it will be a long shot.

Ms. Weddle commented that she had submitted a grant application to the Department of Justice for partial reimbursement to Floyd County for cost of housing of illegal aliens at the Regional Jail. The grant period will cover housing costs from June 30, 2009 through June 30, 2010. This is a non-competitive grant program so we feel confident that we can receive some funding. We have also completed an application for the Local Law Enforcement Block Grant program for funding for two computer replacements.

Supervisor Clinger commented that he had the opportunity to interact with several of the deputies this week and appreciated their professionalism and knowledge, if that could be passed on to them.

Agenda Item 8a – Subdivision plats as approved by Agent for May 2011. Mr. Campbell commented that the activity level was low for the month, only one lot was created.

At 9:00 a.m., the Vice Chairman called for the Public Comment Period.

Mr. Jesse Lawrence, Locust Grove District – a couple of quick items. You have a meeting later today on the lodging thing. I personally am opposed to the lodging tax; it is more of a nuisance than anything else. It is not large enough to accomplish anything. However,

despite my personal feelings, I have been participating in the lodging group and the group feels that it is beneficial if we can get more direction and so forth. Hopefully that is part of what we'll accomplish this afternoon. We hope to get the Town involved, we've been after them for a long time and we appreciate your participation. A couple of things with that, keep this in mind. I'm told that the meals tax in Town brings in something like \$175,000 per year, which is a staggering number to me. The lodging tax brings in about \$14,000. Put those together, say around \$190,000. The County collects around \$35,000 for the lodging. The proposed participation in their proposal is \$30,000 from the County and \$20,000 from the Town. To me, there seems to be an inequity there since the Town gets all the benefit from everything that we're doing in the tourist industry. You might want to think about that today. Since the Town gets more benefit from this, they should give more funds to fund a director, which would benefit everyone. The other thing is that since things are so tight and you can't increase your participation, I don't know what the prior discussion has been about a meals tax for the County, but you might want to consider that because it looks like it could bring in some revenue. Again, I am fundamentally opposed to the tax but if we're going to do anything with this whole thing, it has to be enough of a critical mass to make an impact. I appreciate your time and look forward to the meeting this afternoon.

Mr. Lauren Yoder, Locust Grove District – I wanted to make a quick comment on the school budget. I have talked to a lot of people about the whole Administration line maneuver as far as a 1% raise. I'm hoping today that you'll look at that a little closer. I talked to several of you about this because I think there still might be some money that could be saved. We don't know yet what the Superintendent's salary is going to be the majority of the year. My concern is seeing employees laid off with a very short notice. I have talked to some of these people, when you lose your job with just a few weeks notice, it is pretty devastating. I am also concerned about the reduction in nursing staff at the schools. There are not enough of them to go around now; the small amount of money that it would take to cover that would be minimal. I hope you will work with the School Board to fund these out of the Administration category. I hope you'll take a closer look at that before you finalize the budget. Thank you.

After no further comments from the audience, the Vice Chairman declared the Public Comment Period closed.

Agenda Item 8b – USDA school bus grant resolution. In 2010, we submitted an application to USDA under their School Bus Grant Program. We received a smaller amount than requested but it will prove to be helpful. The amount received was \$25,000. They have been flexible with us in terms of allowing the funds to be disbursed in the future be applied to a school bus purchased in the last year. That has been a welcome flexibility from the Rural Development staff. There is a draft resolution in your pack to authorize me to submit information to pursue that grant and move toward actually receiving the allocation. The bus that was purchased was approximately \$71,000. It doesn't exactly jive with the conditions letter because they were using an average cost of school buses around the area. School Board staff assisted me with obtaining necessary documentation to submit the application. The funding will go to the school system to help reimburse for the cost of the bus.

On a motion of Supervisor Clinger, seconded by Supervisor Gardner, and carried, it was resolved to adopt the resolution as presented for authorization for the County Administrator to submit an application to USDA for reimbursement under the School Bus Grant program (Document File Number \_\_\_\_\_).

Supervisor Clinger – aye  
Supervisor Gardner – aye  
Supervisor Allen – aye  
Supervisor Gerald – aye  
Supervisor Ingram – absent

Agenda Item 8c – Resolution Authorizing the Issuance/Sale of Its General Obligation Revenue Anticipation Note. Mr. Campbell presented a draft resolution for the Board’s consideration. The term of the note is no more than 12 months with an average interest rate of 1.5%. The issuance costs are very small as you discussed at your budget work sessions. The closing date is July 11, 2011 as opposed to June 16, 2011 as was on the first draft of the resolution.

On a motion of Supervisor Gardner, seconded by Supervisor Clinger, and carried, it was resolved to adopt the resolution entitled Resolution Authorizing the Issuance/Sale of Its General Obligation Revenue Anticipation Note and authorize appropriate County officials to execute same (Document File Number \_\_\_\_\_).

Supervisor Clinger – aye  
Supervisor Gardner – aye  
Supervisor Allen – aye  
Supervisor Gerald – abstain  
Supervisor Ingram – absent

Agenda Item 8d – Resolution Authorizing/Directing the County Administrator/Auditor to Make an Authorized Transfer from the Fire/Rescue Fund and to Reimburse the General Fund for Expenses Paid by the General Fund for Support of Fire/Rescue Services. Mr. Campbell commented that this resolution is presented annually for the amount that is expended indirectly for fire or rescue services through the General Fund. The amount calculated for transfer this year is \$156,976.

On a motion of Supervisor Allen, seconded by Supervisor Gardner, and carried, it was resolved to adopt the resolution entitled “Resolution Authorizing/Directing the County Administrator/Auditor to Make an Authorized Transfer from the Fire/Rescue Fund and to Reimburse the General Fund for Expenses Paid by the General Fund for Support of Fire/Rescue Services as presented (Document File Number \_\_\_\_\_).

Supervisor Clinger – aye  
Supervisor Gardner – aye  
Supervisor Allen – aye  
Supervisor Gerald – aye  
Supervisor Ingram – absent

Mr. Jack Wall, representing Partnership for Floyd, next appeared before the Board. He commented: The Partnership has been around for eight years and worked primarily with the Town in getting downtown development grants such as transportation grants and community development block grants. We're working on projects such as organizing the Earth Day events, have had three so far; worked for several years on the Warren G. Lineberry Park with the Town; working on a putt-putt golf challenge this year for the July 4 celebration. We've got another area that we want to take on, working with the local government. It is really a piece of old business, the issue that was taken on by Trails of Floyd, on which they've been working for several years. Trails of Floyd worked on several trail or greenway ideas around the downtown area and had not been successful with any of those. Partnership for Floyd, we have a lot of passionate members who believe that the trails idea is important. When you look at the different trails that have been proposed and worked on, we determined that the one that really has the greatest merit is the one around the recreation park. It is the old Scotts Mill Road right-of-way. It has an old road bed that goes around the recreation park property. It is a trail that really works. I just went out there last week with David Larsen to take a look at it personally because I had not been directly involved with it even though I had worked with Trails in Floyd in previous years. I hadn't paid a lot of attention as to exactly what was being proposed. That trail idea, it really does seem to work. It has a lot of great features; it has parking available on most days. The parking at the recreation park is adequate. The trail has the benefit of being gentle. We have other trails in the County like Buffalo Mountain and around the Blue Ridge Parkway. This kind of trail provides really good recreational opportunities for the citizens of our community, being able to have a gentle walking slope that is manageable for families with children, potential for bicycles and other multi-use functions; it is away from traffic and is close to town. It is a beautiful site, a gorgeous piece of property, with lots of natural beauty and convenient. David Larsen is very supportive and I commend his role in offering a piece of his land to be available for a right-of-way connected with the property that the Recreation Authority has. He is very enthusiastically supportive of the project and will do whatever is necessary to achieve something there. We would just like to work on this project together. There is not a cost involved to any local government, we have access to plenty of money, both private or grant funds. We just need to get people together to figure out how to do this. I realize that there are issues concerning liability that have been brought up in the past; I really think we can resolve that because we have the resources, commitment and enthusiastic volunteers. We have over 25 volunteers who have been working on this project and will put in whatever time is necessary. We can expand that number of volunteers to be much greater if we have something developing. I looked at some trails in other communities. Most communities in Virginia have some type of trail or greenway program that they have developed. The kind of response that people have to these types of things is tremendous. That will definitely occur in Floyd because we have lots of interest. We will be working with the Recreation Authority but welcome the Board's suggestions and concerns to make this a successful program.

Agenda Item 8e – VRS – Plan 2 Resolution. Mr. Campbell presented a copy of a letter from VACo reminding the Board that this option can be changed every year if the Board so desires. No action taken.

Agenda Item 8f – Discussion of smoking ban on all County property. Supervisor Gerald commented that he would like the Board to consider passing a smoking ban by ordinance on all

County property. For the purpose of protecting the health of citizens from first hand smoke, second hand smoke and even third hand smoke. These have all proven to be a health hazard to non-smokers. This has passed in other counties and I think it is time for Floyd County to join other counties in banning smoking on all County property. Cigarette smoke is not only a health hazard but discarded cigarette butts are an eyesore on County property. Last week I observed two citizens under the porch of the County Administration building leaning over a tank next to the generator under the porch. This morning I observed another citizen doing the same thing, smoking a cigarette while leaning over the fuel tank. I don't know what is in that tank, if it is gas or fuel oil but a cigarette could ignite that tank and cause a very dangerous situation. I'd like the Board members to go out on the back porch and look at all the cigarette butts there, it is an eyesore. It is time, in my opinion, that the County property be completely smoke-free. I'd like the Board to adopt an ordinance regulating this. We may need to wait on the County Attorney to advise us on this. This has been passed successfully in other areas. The School Board also allows no smoking on their property.

Discussion followed on who would enforce this ordinance and what the penalties would be. After discussion, it was the consensus of the Board to table the matter until such time as the Chairman is present and advice from the County Attorney is received.

Mr. Jeff Walker, the Board's representative to the RC&D Council, next appeared before the Board. He reported: We've gone through a tough time. RC&D stands for Resource Conservation and Development. I'm representative for one of eleven counties. You appointed me a little more than a year and a half ago. I haven't missed any meetings and I'm trying to get up to speed. There are a lot of agencies to learn and budget issues to sort out. We went through a tough time with Federal funding back in the spring and our budget is zero budget from the Feds. The scuttlebutt on that is that there is a Congressman from Georgia who had a personal problem with the RC&D Committee down there and put a bad word in, the word spread, and we got zeroed out. Our staff consists of Gary Boring who is the full-time coordinator and also a part-time person from the State Department of Forestry. Most of our programs that affect the county have to do with water quality, soils, soil conservation and economic development. Nationally, I think we are in the running with the rest of the crew. Our budget is basically 7:1, seven parts programs and one part administration. We are a board of volunteers. The two most important programs that affect Floyd County are the Little River Watershed, which is a TMDL program. We funded a joint application back in the spring which resulted in a company called LabTech picking up the ball and doing a study. This is a bundled project of 15 watersheds. This is a mandated system by the EPA which requires that if the threshold level on a watershed exceeds a certain amount, then an implementation plan is completed. I've been engaged in this TMDL since the very beginning because of my interest in soils and the watershed. The funding process is very complicated. The funding is received from a Federal agency and contracted out to various contractors for the work. In this case, the funding went from the Feds to DEQ to DCR and then to the various RC&D Councils. 70% of the water quality is a result of headwaters.

Chairman Ingram entered the meeting at 10:00 a.m.

Mr. Walker continued: DEQ was given an ultimatum by DCR to link programs to a water prioritization system or funding would stop. Funds are available for farmers for a payment

per acre for good water quality practices. A new program that will be announced on June 16 is a grazing initiative. Floyd County is one of the three highest counties using grazing initiatives. We have received funding for a \$1 million program which will employ a grazing specialist and allow for construction of farming improvements for participating farms. The farms would have to be actively managed and be using rotational grazing. I'm hoping that Floyd County will be eligible for between \$80-100,000. I would be willing to set up a discussion group if the Board so desires.

The Vice Chairman turned the chair over to the Chairman.

Mr. Carl Ayers, Social Services Director, next appeared before the Board. He reported:

- A quality management review on the day care program was just completed. No errors were found in any of the records and the reviewers commented that the records were some of the best that they had seen. Jennifer Claytor handles this program.
- SNAP program declined by one person for the month from 2090 to 2089, \$258,916 was paid out. This is a good economic indicator when this program's participation goes down.
- Medicaid roll participants stayed the same – this program has been level for two months.
- VIEW program – more people are becoming employed, most are part-time positions but they are finding jobs.
- Child Welfare/Foster Care – seeing more and more problems with meth issues and the number of children coming into the program. From March-May 2011 we had 31 CPS referrals investigated; there were 89 for the entire 2010 year. We only have one staff member to handle this program so it is a struggle.
- CSA – each locality in Virginia is required to have, by State Code, a CPMT and FAPT. We have both, Craig County had neither. Roanoke had vendor issues. But it was only like \$10,000 in question out of a \$6 million budget. I wouldn't read too much into their report. If a vendor bills for something that is not proper, in my mind it is a criminal issue on the vendor side, because we have a contract with them. That is not something that CSA has a lot of control over; we have to be alert at the County level. Richmond City has huge issues with paperwork, billing, approval and other areas. The program is very complicated and left pretty much up to the localities to administer. There is very little regulation by the State and the cases are increasing.
- CSA – I will be speaking at a meeting in Richmond on Thursday concerning our comments offered on charge backs for CSA.

Mr. John McEnhill, Board Member and Ms. Terry Smusz, Director, New River Community Action, next appeared before the Board. They reported:

Mr. McEnhill – here today to provide an update on the area office building. The area office building that NRCA is operating in is an old clinic building built in the 1950's. It has served NRCA since the early 1970's. Last year we transferred ownership to NRCA, Inc. which is the Board. Prior to that it was owned by a local corporation, NRCA of Floyd, Inc. The only asset that they had was the building. NRCA Inc. has been paying the mortgage since the 80's and the taxes of \$1075/year plus insurance, etc. The current arrangement is the moving of some of the programs to the Jacksonville Center with a lease arrangement of \$1000/month plus

utilities. That is a big difference from what we were paying before. Floyd County's assessed tax value for the land is \$39,400 and \$183,300 for the building which was prior to the damage. A local real estate agent verbally gave us a value of \$160,000. We are currently pursuing other assessments from other real estate agents. In the winter of 2010, the roof starting leaking due to the heavy snow. We later determined that hail damage from 2009 caused significant damage to the roof and coupled with the heavy snow, it was not usable.

Ms. Smusz – in February 2010, we moved a few programs over to the Jacksonville Center campus dormitory. The rent there is \$1000/month. We moved the CHIP program, Headstart home based and family services, emergency assistance, food bank, and RSVP. In addition to these, what we moved there was access to other additional NRCA programs such as Virginia Cares, Homeless Intervention, Housing counseling, the Winters, first time home buyers education workshop, responsible rides, and the volunteer income tax assistance program, among others. Are all accessible right now at that building. In September 2010, we moved the Headstart classroom into Floyd Elementary School. That arrangement is expected to last until spring 2012. After that we have been invited to stay in the schools, however, they can only offer us a lease on a year-to-year basis. We know from experience that this is frankly, not suitable, because we need a longer term commitment. The Headstart program has very specific requirements in terms of space, playground, service delivery, etc. and to be informed that we have to leave in six months is not suitable. We appreciate the school's support to us but the long-term lease lack will be problem. The roof repair costs for the Floyd area office are anywhere from \$86,000 - \$94,000 depending on whether we go for a 20 or 30-year roof. There are funds available for the roof repair, \$33,000 from insurance plus \$46,000 available from a Headstart home improvement grant if we move Headstart back to that building.

Mr. McEnhill – at the last Board of Directors meeting we chose to delay a decision on the roof and other repairs until July 21 to allow time for staff and board members and community members to explore all options. The estimated cost for total repair of the building is \$200,000. Costs could be reduced with in-kind support such as painting, electrical work, etc. We have applied to the Roanoke Women's Association for a \$50,000 grant to assist with repairs. Blue Mountain School, The Wellness Center and DSS have all been approached for partnerships. County staff have researched the possibility of CDBG funding, but this is probably not possible.

Ms. Smusz – as of July 1, we will lose over \$300,000 in State funds through the stimulus funds.

Mr. McEnhill – we are seeking any assistance that the County can offer.

Ms. Smusz – we will also be discussing this with the Town Council.

Mr. Campbell – could you elaborate on the letter the County received concerning cuts at the Federal level?

Ms. Smusz – NRCA Board members have gone to all Boards and Councils for letters of support to continue the CDBG program. All other localities have sent letters of support and we hope that you will consider doing so as well.

Ms. Stephanie Heintzleman, VACorp, next appeared before the Board concerning Line of Duty benefits. She commented: Line of Duty has been in place since 1966 as a death benefit for police officers paid out of the General Fund of the Commonwealth. The Act still says it is paid this way. Back in the 2010 budget conference of the General Assembly, there was a hole in the budget and staffers apparently found this \$10 million annual funding and used that money to fill the void in the State budget. What happened was, the State decided to have localities fund the Line of Duty benefits from now on. Beginning effective July 1, 2011 but also retroactive for any active claims back to July 1, 2010. Luckily Floyd has no active claims that we know of. VACorp has petitioned the State Corporation Commission for permission to start a pool, which we've done. What is happening now is that we're talking to Boards of Supervisors because in the absence of opting out, you're automatically in the VRS program. It is a State program that is administered financially by VRS; it is really not a VRS program. It is run by the State Department of Accounts with the State Comptroller making decisions on coverage of claims if they are warranted. What we would do is fund the claims that are accrued as they come forward. Basically, the biggest thing is that everyone is in VRS unless you opt out. We know that VRS has received 40 opt-out resolutions already to date, about 2 weeks ago. I'm getting word every day of more Counties that are opting out of the program. Those that we feel are going to remain in the program are the ones that have claims. The ones that opt out are going to have very few or no claims. The ones that remain in the program, the claims still have to be paid for; there will be less counties to apply the unit cost to. The cost will rise at an even more rapid pace that what we've seen. Our goal here is to explain the program and answer any questions that you might have. The fiscal impact comparison shows the rates between the programs. Our rate, this year, is \$210/paid covered staffer and \$52.50/volunteer. The VRS rate is \$233.69/staffier and \$55/volunteer. Next year's rate is where it gets scary because the differential is going to be much larger. As folks opt out, VRS still needs to pay for those claims that are existing and so they will have to increase their rates to \$365.70, which is what they presented. We anticipate that it will go higher than that. Ours is not anticipated to go up, because we enjoy less claims experience than the cities which carries 33% of the existing claims, the State has 29%, the five large urban counties carry 25%. Luckily, the counties of the Commonwealth have less than 9% of the entire claims. We are really encouraging counties like Floyd that have no claims to get out of VRS. We have funds available for unknown claims. We anticipate over time, that those costs will go down as existing claims are paid. There is no cap or minimum amount for rates to change per year but we don't anticipate any increases. When we found out that the State was going to set this down on the localities, we handle workers comp for about 90 localities; we sent the information to our actuary so they could help us determine the rates. They actuarially determined our rate to have 46 claims in one year; we average 6-9 claims per year, so we're very conservative. We've built in extra that will come back to the localities as a dividend if it is not used.

On a motion of Supervisor Clinger, seconded by Supervisor Gardner, and unanimously carried, it was resolved to adopt the resolution as presented to opt-out of the VRS Line of Duty Program and authorize the County Administrator to relay the resolution and cover letter as presented to VRS (Document File Number \_\_\_\_\_).

Supervisor Clinger – aye  
Supervisor Gardner – aye

Supervisor Allen – aye  
Supervisor Gerald – aye  
Supervisor Ingram – aye

Dr. Terry Arbogast, School Superintendent, next appeared before the Board. He reported:

- Presented copies of School Board meeting highlights from June 6 and June 8, 2011;
- Presented copy of food service program outline – prices will have to be raised this year; Chart also shows the reduced and free lunch program specifications and numbers;
- Presented copy of summer enrichment program schedule. There is a small cost for the various classes but we feel it is reasonable;
- Presented copy of Gifted Advisory Committee report;
- Staff is now working four day weeks, from 7:15 am to 4:30 pm with a 30 minute lunch normally. Most are working four ten hour days, but it depends on which schedule the employee is on.

Supervisor Clinger – I need clarification on a couple of budget issues. Line 292, employee number goes from 2.5 to 2 but funding goes from \$36,651 to \$75,566. Also on line 442, employee number goes from 3 down to 2 but increases \$6000.

Dr. Arbogast – I'd have to go back and take a look at it. Something happened with the number of people. It could be moving different people into different lines with salary differences. I'll get the exact people and salaries but changes many times with moving people.

Supervisor Clinger – line 597, lists zero staff but \$10,000 in salary is dedicated to it.

Dr. Arbogast – what we ended up doing, we wanted to hire a maintenance supervisor from within the organization. We put that money in there to support the additional salary that a person would get going from an employee to a supervisor position. On line 610, where you have your maintenance workers salaries, the person's salary that was a worker and has been appointed and designated to be the supervisor, next year's budget the person's salary will be moved out of line 610 and moved to line 597 and the right salary will be there. That was put in there to cover whoever we select and give them an opportunity to move from one grade to another. We put that in there to give us the flexibility to give the person more money as a supervisor. You'll see that total salary in that line next year and the worker line reduced. Where it came from, I'll share with you how we did that, the Transportation Supervisor's salary was reduced and we were going to split that job into two positions but we weren't able to do that with the cuts.

Supervisor Clinger – line 626, is that a Contingency line item?

Dr. Arbogast – sort of, we use that line for items that come up during the year that were not planned, such as replacement of a boiler at Indian Valley, or reinforcing the bank at Willis Elementary, things that are over and above normal maintenance items.

Supervisor Clinger – lines 620 and 640, Otis Elevator is listed in both lines.

Dr. Arbogast – line 640 is the regular Otis contract which is \$11,200 for routine inspections, line 620 would be for repairs.

Supervisor Clinger – line 664, 674, 697, 709, nothing was budgeted in these lines last year, almost \$30,000 increase this year.

Dr. Arbogast – was probably moved from somewhere else, I would have to check. These are cafeteria funds which are totally separate from regular funds; there are no County funds involved.

Supervisor Clinger – the reduction of \$45,000 in clerical staff in Administration, how many positions is that?

Dr. Arbogast – two people.

Supervisor Clinger – how many teachers or aides were reduced?

Dr. Arbogast – 25 people total – some are stimulus funds, some were not replaced, some retirees, one vacancy not filled, 3 positions lost – for a total of 6.

The Board recessed for lunch and a field trip to the Courthouse to review needed repairs.

Mr. Dan Huff, Mr. Stacy Keith and Mr. David Clarke, Virginia Department of Transportation, next appeared before the Board.

Mr. Huff presented a draft resolution for the Board’s review indicating approval of the 6-year secondary road plan. Said plan indicates projects on Routes 750, 635 and 653.

On a motion of Supervisor Clinger, seconded by Supervisor Gardner, and unanimously carried, it was resolved to approve the resolution as presented for the 6-year secondary road plan (Document File Number \_\_\_\_\_).

Supervisor Clinger – aye  
Supervisor Gardner – aye  
Supervisor Allen – aye  
Supervisor Gerald – aye  
Supervisor Ingram - aye

Mr. Clarke reported, as far as maintenance, the following items had progressed during the last month: patching – especially on roads slated for surface treatment or asphalt; storm damage repairs; mowing – Routes 221 and 8 are completed, working on secondary roads; Route 615 pipe installed; Paradise Lane pipe installed; Phlegar Hill Road not completed yet but will be soon; ditching; and stone replacement.

Supervisor Clinger – appreciate mowing – intersections are getting very dangerous with limited sight distance.

Supervisor Gardner – Gardner Road/Route 221 – a stagnant pond has been created from snow removal; need to know what to do with it. Route 221 shoulders still need attention.

Mr. Keith – we have worked on that some and it will continue.

Supervisor Allen – Harvestwood Road, Wilson Cemetery Road, Spangler Mill Road, Coles Knob/Hale Road intersection – all have very bad potholes. Sides of Sandy Flat Road are breaking up. Route 615 past new pipe near Sowers Road – rose bushes or some type of bush have grown up so much that there have been near-wrecks there.

Mr. Keith – I believe we have a work order in the system for that situation on Route 615.

Supervisor Gerald – patching is needed on Sutphin Road, Horse Ridge Road, Indian Valley Road and Indian Valley Post Office Road. All intersections need mowing badly.

Supervisor Ingram – Hummingbird Lane (Route 610) culvert needs attention, pavement has also broken up; Kelly Drive (Route 639) has bad potholes; mowing is very important on secondary roads.

Mr. James E. Cornwell, County Attorney, next appeared before the Board.

Supervisor Gerald questioned if a ban on smoking on all County property could be done by ordinance.

Mr. Cornwell commented that there are provisions under the Virginia Indoor Smoking Act for ordinances, or the Board could do a ban by resolution.

After discussion, it was the consensus of the Board for the County Attorney to provide a memorandum outlining the Board's options to ban all types of tobacco products on County property for discussion at the next meeting.

Mr. Cornwell suggested, in noting direct deposit of employee payroll and credit/debit card machine discussion on the Board's agenda, that it would be a good opportunity to solicit a RFP for banking services. This had been suggested to a previous Treasurer but she was not interested in seeking proposals. Consensus of the Board was for Mr. Cornwell to provide a draft RFP for the Board's review at their next meeting.

On a motion of Supervisor Gardner, seconded by Supervisor Allen, and carried, it was resolved to go into closed session under Section 2.2-3711, Paragraph A.1, discussion, consideration or interviews of prospective candidates for employment, assignment, appointment, promotion, performance, demotion, salaries, disciplining or resignation of specific public officers, appointees or employees of any public body.

Supervisor Clinger – aye

Supervisor Gardner – aye

Supervisor Allen – aye

Supervisor Gerald – nay

Supervisor Ingram – aye

On a motion of Supervisor Gardner, seconded by Supervisor Clinger, and carried, it was resolved to come out of closed session.

Supervisor Clinger – nay

Supervisor Gardner – aye

Supervisor Allen – aye

Supervisor Gerald – aye

Supervisor Ingram – aye

On a motion of Supervisor Clinger, seconded by Supervisor Gardner, and carried, it was resolved to adopt the following certification resolution:

CERTIFICATION RESOLUTION  
CLOSED MEETING

WHEREAS, this Board convened in a closed meeting on this date pursuant to an affirmative recorded vote on the motion to close the meeting to discuss personnel in accordance with Section 2.2-3711 of the Virginia Freedom of Information Act;

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

NOW, THEREFORE, BE IT RESOLVED, that the Board 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.

Before a vote is taken on this resolution, is there any member who believes that there was a departure from the requirements of number (1) or number (2)? If so, identify yourself and state the substance of the matter and why in your judgment it was a departure.

Hearing no statement, I call the question.

Supervisor Clinger – aye

Supervisor Gardner – aye

Supervisor Allen – aye

Supervisor Gerald – abstain

Supervisor Ingram – aye

This Certification Resolution was adopted.

Supervisor Clinger questioned Mr. Cornwell as to his opinion on the proposal from the Floyd Lodging Association. Specifically Section 15.2-577, set up of an authority for tourism related issues.

Mr. Campbell explained that a proposal has been received from the Floyd Lodging Association asking for the Town to make a contribution of approximately \$30,000, County \$20,000 to that association to do things like hire a tourism director, advertisements, and a whole scale of activities. The proceeds from the County would be taken from the transient occupancy tax and I think that would be the case for the Town as well, since they collect that. Three fifths of the transient occupancy tax has to go toward direct tourism activities, two fifths can be held outside of that requirement. So the \$20,000 relates to roughly three fifths of the amount collected by the County. I think it is certainly all right to make that contribution but one question I had is how firmly the lodging association is set up, the credentials, that could be an issue.

Supervisor Clinger – that’s why I brought it up, the Code is pretty specific on setting it up.

Mr. Campbell – the funds can be conveyed to an organization as long as it is set up. Like if it was a division of the Chamber.

Supervisor Clinger – I think their idea is more like an authority, such as the Rec Authority or PSA with County and Town members.

Mr. Cornwell – this statute talks about creating an authority. You can create an authority, the statute does provide for that. But if you decide not to create an authority, you’ll have to look at the entity that the money is being paid to, as well as the expenditures, that it is a certified organization.

Supervisor Clinger – I just wanted an idea if this was the correct statute if it comes up later.

Mr. Campbell – if you set it up as an authority, it will give you and the Town more control over the appointments, expenses, etc. You’ll need to decide how much involvement you want.

On a motion of Supervisor Clinger, seconded by Supervisor Gardner, and unanimously carried, it was resolved to eliminate the E-911 Technician position and reclassify three current staff with these duties, as outlined by the County Administrator.

Supervisor Clinger – aye  
Supervisor Gardner – aye  
Supervisor Allen – aye  
Supervisor Gerald – aye  
Supervisor Ingram – aye

Supervisor Clinger – in regards to the school budget, I think there is still room that we can save in this budget. He said this morning that they have contingency in some areas. I think that could come out and we could take funds from our contingency if something comes up.

On a motion of Supervisor Clinger, it was resolved that the FY12 School Board budget as presented be rejected; returned to School Board and request that other areas be trimmed to retain staff at current levels.

Chairman Ingram suggested that the budget be sent back to the School Board with the directive taken out that Administration funds be transferred to other categories for them to work with to enable a 1% raise for employees. I think we need to give them room to work. We have to have confidence in them to work on the budget and send it back to us. We can make it clear that we want jobs to be saved.

Supervisor Clinger withdrew his motion.

On a motion of Supervisor Ingram, seconded by Supervisor Clinger, and carried, it was resolved to reconsider a previous motion concerning transfer of \$125,000 in the FY12 School Board budget from Administration to other categories; with the expectation that 1% raises be given to all employees and reinstatement of six lost positions.

Supervisor Clinger – aye

Supervisor Gardner – aye – note of connection with School Board as retired employee

Supervisor Allen – nay

Supervisor Gerald – aye

Supervisor Ingram – aye

The Board requested that staff notify the Superintendent and School Board that they would like the revised budget returned by Tuesday, June 21, 2011 for the Board's adjourned meeting.

A joint meeting was next held with the Floyd Town Council and the Floyd Lodging Association. All Town Council members and the Town Manager were in attendance.

Mr. Derek Wall, Floyd Lodging Association, came before the two governing bodies with the following comments and proposal:

Mr. Wall – Presented a copy of the lodging association's proposal. First of all, would like to thank all of you for being here. It means a lot to the lodging association and the people vested in tourism and the community in general, it does mean a lot to us that we were able to get everybody into one room and go over this plan. Hopefully we'll gain some support here and maybe even take some action. Introduction, I have Jesse Lawrence here from the lodging association, other tourism partners that I've invited to the meeting, Tom O'Neil with the Cottage on Main which is in the Town; Mr. Lloyd with the Woodberry Inn. We've been working for a while now on tracking this plan and getting it to the point where we can formally propose it to the Town and County. The Lodging Association wants to promote the tourism initiative to be funded by the Town, the County and private investors. In this plan, we'd like to see the

following happen. The first thing that we'd like to see happen is a tourism advisory board be created which would have seven elected people on that board. One from the County, one from the Town, and five others such as one from the restaurant community, one from the lodging community, agri-tourism, and artisan community, they're all listed on the plan. That would be the tourism advisory board. From that board, we would like to have funding provided from the Town, County and private investors to equal out to be \$30,000 from the Town, \$20,000 from the County which is approximate because we were asking for 3% of the 5% from the County for the transient occupancy tax and \$20,000 by local investors which would be sought by the lodging association. After the funding was there and the structure would be a 501©3 created by the tourism advisory board. We're thinking that the employer of record could be the Chamber of Commerce but the status of the Chamber is 501©9 and in grant writing, if we were seeking grants it would make it much easier to already have established a 501©3 rather than have to go out to the public like the Jacksonville Center and ask them to be a partner. The tourism advisory board was already a 501©3 so we can write grants in-house instead of having to seek partners. We did finally come to the conclusion that the advisory board would seek that status. Temporarily we could use the Chamber as Employer of Record for the Tourism Director. From that budget, we wanted to hire a Tourism and Economic Development Director. From that budget, we would also have a working marketing budget to market the area. Not the Town, not the County, but to market Floyd in general, somewhere around the number of \$40,000 from the total \$70,000 would be put into marketing for the area. We would create tracking mechanisms for effectiveness of the plan. That could go from VTC, which does tourism spending numbers. I think that in the last numbers that came out, \$17 million was spent in the area on tourism. That wasn't just for lodging and meals, that's from a bunch of different things from gas tickets, etc. That could be a tracking mechanism; we could see where that number falls in the future if this plan was implemented. We could find other tracking mechanisms that may be thought out from the advisory board. We'd also like a two year trial period. This kind of gives you guys, the governing bodies, an out if you feel in two years, that we haven't done what we said we'd do, you have a two year out and it would allow you to exit the plan. Benefits from such a plan are to include: relieving the Town and County from tourism responsibilities and shifting those responsibilities to a coalition of local businesses that will benefit directly and indirectly. Another benefit would be business development and support. If the tourism and economic development director was established, which this area really does need. There are all kinds of things that pop up that don't have a collaborated effort and it is usually on the backs of local businesses. It could help business development and let businesses work on their business vs. trying to do these other things. For example, Hotel Floyd does a lot of work on promoting this area and not just our hotel. With the tourism initiative, it would take some of that off our back and allow us to concentrate on what we're doing just at the hotel vs. the whole area. There are a lot of other businesses that are doing the same thing. Plan and implement the tourism development efforts in the area. There are all kinds of things going on from signage issues to having a collaborative marketing effort for the area, it goes on and on for tourism development in this area. Switching the DMO status and responsibilities to a broader based organization that can be responsive to its constituents. DMO stands for Destination Marketing Organization for those of you that don't know. Right now, that falls on the back of the County and Lydeana is the one to handle those things. What basically happens is, there are a lot of things that are handled by the DMO. One big one that comes to mind is e-mails. Lydeana receives e-mails that are related to advertising and marketing efforts such as travel writers coming to the area and want to know if there are any

kinds of biking tours or something like that. Right now, what she does is, if she can't find the answer off the top of her head, she sends the e-mail to a list of other e-mail recipients, me being one of them, to see if those people can figure out the answer. After that, if nobody answers it, if they don't have the time, those opportunities are just lost. Switching the DMO status to say, the tourism director or the advisory board, it allows us and the tourism director to immediately respond because that person is working with the community for all the tourism destinations, lodging facilities, restaurants and others like that. There is a world of free advertising and marketing things out there. As of right now, it is almost impossible for us to answer all of them because there is just not that one central person or organization that is able to do that. Lydeana doesn't have the time to handle all these tourism prospects and I don't think there is anybody on the Town side that does either. I think that's one thing that we're looking to do, is shift the DMO status to the tourism advisory board to be able to work that part really well. To have a collaborative and sensible effort to market Floyd and Floyd County as a visitor destination. We did a tourism plan through the County and Lydeana's efforts, Will was at one of the meetings, it was about a six-month effort put on by the County and Lydeana, it was great. What came out of it was pretty much a great plan with no implementation, that's what we're trying to face right now, to implement that plan that was so aggressively sought after by a lot of the tourism businesses in Floyd and it hurts us to put all this work in, come to all these night meetings and then just be stuck in the mud because we can't get any support from the local governing bodies. That's what we'd like to see, a more collaborative effort and implementation of these plans when they are put forward. Analyzing and researching the trends to keep the tourism development efforts current and effective. Right now, there are probably issues that you guys can think about right off the top of your head, maybe there's too much traffic in the town on Friday nights. These are the kinds of things that need to be thought about and answered and I'm sure they have been to some extent but maybe there is more that needs to take place. By having a tourism director that can go out and think this process out and come back to an advisory board, I think would help everybody understand what is happening in Floyd as a tourism destination vs. us just riding around and causing ruckus at meetings saying this and that needs to happen. If you have a central person and that's their job to look at the tourism trends in Floyd, it would help us as a community be ready for those things that are happening. You know, parking is an issue in Town, there are all kinds of different things that are issues that need to be looked at. I think with this plan we could do that. We would love questions, comments and suggestions from the Town and County.

Supervisor Gardner – you have in your proposal that these funds not be used for the Crooked Road or Round the Mountain contribution. Why is that? We've funded these for years.

Mr. Wall – if we were to take 3% of the 5%, you're still left with 2%. Our thought is that from that 2% you could fund those initiatives there and also have some administrative money for handling all the taxes. Not taking all the money leaves you all some funding for things that are already taking place. If we were to take those costs on, it would pretty much deplete the funds we were receiving. That's why those were left out of the proposal. We want to see some action. This has been in the works for a while. We've been to many Board of Supervisors' meetings, I've been to one Town Council meeting, and I've talked to you individually, so at this point we want to hear what you think.

Mr. Griffin, Mayor – one of the conversations that we’ve had in our Chamber is whether this will justify a full-time position. We can’t seem to get our arms around that. If so, it seems that you’re talking about a pretty high powered person to do this, is the \$30,000 realistically going to attract the caliber of person that we need?

Mr. Wall – I can personally say yes because I’ve already had at least three very qualified candidates that have spoken and said that they would be the first one to apply for this position if it ever became available. I do know there are qualified candidates out there. I understand what you’re saying, it is not a high pay scale for the position that we’re looking at. I already know of three people that are available and want this position that would actually far exceed my expectations right off the bat. Yes, I think we could find that qualified candidate and it could be somebody here home-grown, we don’t have to go out and seek this person from other communities. That is one thing that Floyd does have is a wealth of people that are very intelligent and know what they’re doing, especially in tourism. I understand your concern but I do feel that we could hire a full-time capable person to handle Floyd tourism. Economic development, some people were asking why we were throwing into the job title. Tourism is economic development and economic development in this area, whether it be any industry or citizen, there are a lot of things that happen in economic development that result from tourism. So, you know, whether it be a plumber or electrician, growth in economic development comes from tourism. That’s the thing that we’re looking for the tourism director to look at also is traditional business development through tourism.

Extensive discussion followed between audience members and the two governing bodies concerning the draft plan/proposal.

After discussion, it was the consensus of both governing bodies for the Town Attorney to draft an agreement for both bodies to review.

Town Council adjourned.

Consensus of the Board was to delay further discussion on the tourism proposal until such time as the draft agreement is received from the Town Attorney.

Agenda Item 8j – Approval of FY12 County budget. Deferred until such time as a revised budget is received from the School Board.

Agenda Item 8k – Letter of Support for Federal Community Services Block Grant.

On a motion of Supervisor Gardner, seconded by Supervisor Clinger, and unanimously carried, it was resolved to authorize the County Administrator to submit a letter of support to appropriate persons requesting that the Federal Community Services Block Grant program be left as it currently stands.

Supervisor Clinger – aye  
Supervisor Gardner – aye  
Supervisor Allen – aye  
Supervisor Gerald – aye

Supervisor Ingram - aye

Agenda Item 8l – Meth lab cleanup costs. Mr. Campbell presented a bill from the Sheriff to W.E.L. Inc. in the amount of \$1682.50 for the cleanup of the last meth lab in the County. For the Board’s information, this bill will be included in the bills at the year-end meeting. The Commonwealth’s Attorney did mention this morning that she would turn these in through the court system to hopefully receive some type of restitution.

Agenda Item 8m – Recommendation on elimination of green box sites. Mr. Campbell commented that during the Board’s various budget deliberations, that a number of green boxes were scheduled to be eliminated at various sites. The list that you received came jointly from the Sanitation Superintendent and me. We discussed this situation extensively and narrowed it down to sites that are near County lines in one direction or another; sites that he knows are being abused by folks from other Counties or contractor materials; sites that present more of a transportation situation because of distance away from others or outlying sites or costs. If you look at the list, several are in the Burks Fork District, some in Indian Valley, three in Little River and only one in the Locust Grove District. Again, these are the ones that more problematic or costly. We propose to eliminate 46 boxes which is a 21% decrease and elimination of 11 out of 52 sites which is a 22% decrease.

After discussion, it was the consensus of the Board to notify residents by placards on affected green boxes with elimination to begin in July as per the presented plan.

On a motion of Supervisor Ingram, seconded by Supervisor Clinger, and carried, it was resolved to reconsider a motion made earlier in the day on the School Board budget deleting the last section concerning restoration of six lost positions.

Supervisor Clinger – aye

Supervisor Gardner – aye – statement that he is a retired school board employee

Supervisor Allen – nay

Supervisor Gerald – aye

Supervisor Ingram – aye

Chairman Ingram commented that he suggested this change because these issues are the decision of the School Board, not the Board of Supervisors, and we need to give them leeway to work.

Supervisor Clinger – we received some e-mails about the EPA and coal fired thing. The environmental costs will affect us. Could we send a letter saying how we’re opposing changing the EPA requirements?

Consensus of the Board was for the County Administrator to draft a letter for the Board’s review concerning the EPA/coal fired costs relative to the heavy coal use in this area of the State.

On a motion of Supervisor Allen, seconded by Supervisor Clinger, and unanimously carried, it was resolved to adjourn to Tuesday, June 21, 2011 at 6:00 p.m.

Supervisor Clinger – aye

Supervisor Gardner – aye  
Supervisor Allen – aye  
Supervisor Gerald – aye  
Supervisor Ingram - aye

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Daniel J. Campbell, County Administrator

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David W. Ingram, Chairman, Board of  
Supervisors