

**BOARD OF SUPERVISORS
BUDGET WORK SESSION
MAY 2, 2018**

At an adjourned meeting of the Board of Supervisors of Floyd County, Virginia, held on Wednesday, May 2, 2018 at 5:30 p.m. in the Board Room of the County Administration Building thereof;

PRESENT: Lauren D. Yoder, Chairman; Joe D. Turman, Vice Chairman; Jerry W. Boothe, W. Justin Coleman, Linda DeVito Kuchenbuch, Board Members; Terri W. Morris, County Administrator; Cynthia Ryan, Assistant County Administrator.

Agenda Item 1. – Meeting called to order.

Chairman Yoder called the meeting to order.

Agenda Item 2. – Setting of FY19 tax rates.

On a motion of Supervisor Boothe, seconded by Supervisor Coleman, and unanimously carried, it was resolved to set the FY19 tax rates for real estate at \$0.60/\$100, personal property tax at \$2.95/\$100, machinery/tools at \$1.55/\$100 and merchants capital at \$3.50/\$100.

Supervisor Boothe – yes
Supervisor Kuchenbuch – yes
Supervisor Coleman – yes
Supervisor Turman – yes
Supervisor Yoder – yes

Chairman Yoder recessed the meeting until 6:00 p.m. at the Floyd County High School Library.

**JOINT COMMITTEE MEETING
MAY 2, 2018**

At a Joint Committee meeting in Floyd County, Virginia, and including the Board of Supervisors, School Board, Town Council and Economic Development Authority, held on Wednesday, May 2, 2018 at 6:00 p.m. at the Floyd County High School Library thereof;

Representing the Board of Supervisors	Representing the School Board	Representing the Town Council	Representing the Economic Development Authority
Present: Lauren Yoder Joe Turman Justin Coleman Jerry Boothe Linda Kuchenbuch Terri Morris	Present: James Ingram Laura LeRoy Gene Bishop Faye Nichols Dr. John Wheeler Janet Harris	Present: Will Griffin Mike Patton Kayla Cox	Present: Jon Beegle Joy Gardner George Nester Andy Finn
Absent:	Absent: Pam Snead	Absent: Bruce Turner Paul LeMay Karen Bingham	Absent: Dan Vest David Ingram Eddie Worth
Cynthia Ryan, Assistant County Administrator took minutes of the meeting. Chef Katrina Knapp and her Culinary Arts class provided light refreshments.			

Agenda Item 1. – Meeting called to order.

Chairman Jon Beegle called the Joint Committee meeting to order and the Economic Development Authority (EDA) to order.

On a motion of Gene Bishop, seconded by Faye Nichols, and carried, the School Board was called to order.

Town Council did not have a quorum present.

Chairman Lauren Yoder convened the Board of Supervisors back into open session.

Agenda Item 2. – Opening Comments – Mr. Jon Beegle, Chairman of the Joint Subcommittee.

Mr. Beegle thanked everybody for coming. This is an informational session only where we share information as much as we possibly can.

About two years ago a Joint Subcommittee was formed and we meet on a quarterly basis. This was started by community leaders who identified communication between governing bodies as a community need. The Board of Supervisors asked two representatives from the Town Council, School Board, and EDA to meet with two of them on a quarterly basis. Current members on the Joint Subcommittee are: Lauren Yoder and Jerry Boothe for the Board of Supervisors, James Ingram and Gene Bishop for the School Board, Mayor Will Griffin and Bruce Turner for the Town Council, and myself and Andy Finn for the EDA.

This process of a collaborative governing body is kind of unique to Floyd County. You don't see it a lot around the region. I give credit to our community leaders who are willing to work together for the greater good of the community.

We set some ground rules at our first meeting. We are not an action committee. We do not make decisions. It is purely a sharing of ideas and priorities and existing projects. We keep minutes for full transparency which are open to the public. We have a rotating Chair. The first year Will Griffin was voted as Chairman and I was voted as Vice Chairman. The second year I became the Chairman and Gene Bishop was voted as Vice Chairman. At the next quarterly meeting Gene Bishop will become the Chairman and someone else will become Vice Chairman. The purpose for this is so there is no public perception that anyone is trying to lead the group.

Agenda Item 3. – Sharing of Priorities and Goals:

School Board

Chairman James Ingram said through our discussions in the Joint Subcommittee we came up with the idea that what would be good for the school system is for the kids who are graduating to be ready to enter into the workforce if they elected to not go to college. If we could graduate students with job skills needed in industry, it might entice more industry into the County. This would create more jobs in the County, more income for families, and more revenue for the Town and County. Dr. Wheeler contacted Thompson & Litton. Together they looked at what it would take to make this idea work.

Dr. Wheeler said it is not often when goals line up where you can meet goals educationally and also meet the economic development needs in the community. This is a heck of an opportunity we have here. Through the Board of Supervisors, we contracted with Thompson & Litton to do a couple of projects for us.

Mr. Mark Fought, Project Manager with Thompson & Litton, discussed two studies conducted on behalf of the school system.

1) HVAC Study

Goals/Scope:

- Identify alternatives to existing coal-fired boilers at all five (5) schools.

- Identify areas of each school not currently air conditioned, or conditioned by small split systems, to place on centralized systems.
- Identify electrical system upgrades required to support HVAC upgrades.
- Identify HVAC controls replacements.
- Provide cost estimates to implement alternatives.

Uncooled Areas:

All five schools have at least 50% of uncooled areas;

- School sometimes is canceled at beginning of school year due to extreme heat inside buildings.
- Most current cooling systems use R-22 refrigerant, which is to be phased out in 2020. (Only exception is 30-ton unit serving FCHS cafeteria, which uses R-410a.)

Boiler Status:

- All schools' coal-fired boilers are very aged and in poor condition;
 - Sectional boilers at FES and IVES have considerable maintenance issues, including leaks.
 - Feeders often clog, requiring downtime to clear.
 - Ash removal is time consuming/labor intensive.
 - Most boilers in basement areas that are hard to access.
 - Environmental issues relating to coal "clouds".
 - Floyd County Schools' Facilities personnel have done a **great job** extending useful life of boilers, but even they can't continue working miracles indefinitely.

Existing Controls:

- Outdated and limited;
 - No graphics or control sequence diagrams.
 - No trending data.
 - Limited reporting capabilities.
 - No web-based capabilities.
 - When modules fail, they must be sent out of Virginia to be re-built.
 - Time consuming; downtime.
 - Expensive.

Alternatives Explored:

- Liquid Propane Only (no cooling upgrades).
- Liquid Propane & Direct Expansion (Refrigerant) Cooling.
- Liquid Propane and Chilled Water Chiller Plant.
- Water-source Heat Pumps with Geothermal Well Field.
- Water-source Heat Pumps with Cooling Tower & New Boiler Plant.

We looked at using solar but solar was not selected for cost estimating due to large area requirements, which make solar cost prohibitive. There is not enough existing roof space to put solar panels in to meet the HVAC requirements.

We looked at four or five heating/cooling options for each school. We don't make the decisions, we just provide the information to enable you to make the decisions. We also looked at the projected annual operating costs. It appears that from a cost and technology standpoint the best way to go in 2018 is to upgrade the boiler plants in each school to liquid propane. It is the recommendation we will make.

2) **CCDC (Collaboration and Career Development Center) Study**

Goals:

- Develop a building program, conceptual layouts and cost estimate for a new facility at FCHS for science, technology, engineering, the arts and mathematics (STEAM) education.
- Evaluate adding a second level to existing CTE (fairly quickly dismissed as technically and cost prohibitive).
- Evaluate infilling space between CTE and FCHS main building for band and chorus instruction.
- Evaluate re-purposing of space in CTE relocated into new STEAM facility.

Mr. Fought stated a facility like this could be transformative for Floyd County because not too many counties have a facility like this. There was a lot of discussion about what needed to be in this new facility including:

- Modern Classrooms
 - Computer Science
 - Technology Lab
 - Robotics/Advanced Manufacturing*
 - Cyber security
 - IT Lab
 - CADD/Advanced Computers Skills
 - Food & Beverage Manufacturing*
 - Unmanned Vehicles*
 - Team/Project Rooms
- Welding (allows expansion of Building, Trades & Automotive Mechanics areas in CTE)
- Child Care
- Health Care
- Innovation Space (open, flexible areas)
- FCPS administration
- Materials and Storage

*aligns with Onward NRV strategic thrusts

To achieve all of the goals for the facility the total building would be just under 52,000 square feet. It would be built into the hill just below the current CTE building. To have a second story would be more costly but would allow more room for parking

space. The existing road would be blocked off and the band and chorus space would be in that area. A new road would wrap around the new facility. The projected cost estimate for the CCDC is \$20,652,155.

Supervisor Boothe asked would the LP storage area be secured?

Mr. Fought replied most of these have a chain link fence around the area; however, smaller tanks can be buried.

Supervisor Boothe asked if the cost of securing the area was included in the estimates?

Mr. Fought replied that it was not included in the estimates.

Mr. Andy Finn asked what size truck are you talking about to fill the tanks and how frequent would they be filled.

Mr. Fought replied that it would not be 18-wheelers, but more like a standard propane delivery truck.

Councilman Patton said I understand the School Board Office will move to this new facility. You said the current School Board Office is on a prime real estate location. Has there been any discussion about the historical value of the current location?

Mr. Fought responded mention has been made of its historical use but there has not been any significant conversation with us about its historical value.

Ms. Becky Howell asked what would happen to the current band and choral buildings?

Mr. Fought answered we are just in the preliminary phase of this project and have not discussed that, but that building will continue to be an asset.

Ms. Howell requested that the slides from this presentation be put on the internet for everyone to see.

Dr. Wheeler said we will put the slides on our website. A priority with this project is the safety of this whole campus. When we talk about the use of those buildings, the first priority is how we secure this whole campus. With this we are not only looking at Floyd County High School, but we're looking at Floyd Elementary School and all around so there is no longer public access. This building will be all-inclusive; no one will need to walk outside. We will be able to lock the whole building down.

Town Council

Mayor Will Griffin stated two years ago at this meeting, I led the event off by talking about the Town sidewalk project. Everyone in here knows how fast the wheels of government spin. We just got approval from the Virginia Department of Transportation to go to bid. We hope to go to bid by the end May, award the bid by the end June, and hopefully see construction started in July or August. It is about a \$1 million project and is a big deal for the Town.

About 10 years ago we were awarded \$300,000 from the State to start a loan pool. For a \$10,000 loan you had to create one job. The State told us to expect a 50% default rate, but to go ahead and lend the money out because it is all about job creation. If we loaned the \$300,000 out twice we could keep and use the excess for anything in economic development. To date we have loaned out \$735,000. We have only had \$25,000 default on loans. It speaks well for the people of Floyd.

We started our meals tax in 2006 and in the 11 years we have had it we've had an 8%-10% growth every year. With the year ending June 30, 2017 we collected \$275,000. It's been a financial savior for the Town.

Last summer we started a small town summer program at Warren G. Lineberry Park. We had seven events held every other Thursday. They started in June and went through August. We plan to do it again this year starting June 7. Last year participation grew as the summer went on.

Board of Supervisors

Chairman Lauren Yoder credited Mr. Case Clinger with starting the Joint Committee and Joint Subcommittee. I am thankful for the ability to reach out to each person throughout the year and at meetings like this one. The County as a whole in all of our groups have a good staff – Dr. Wheeler at the School Board, Kayla Cox at the Town, Terri Morris with the County is exceptional, and Lydeana Martin, who is not technically an employee of the EDA. We talk between ourselves but it is the staff who makes things happen.

Chairman Yoder discussed two priorities of the County right now are working with EDA on economic development in attracting new business and supporting existing businesses and with the School Board on some of their projects. We are not so much leading the charge so much as finding ways to support these groups. We are doing this by \$2.5 million being included in this year's budget to build a shell building for attracting industry. We will be working with the School Board in the future on the studies we heard about tonight.

After our budget process this year we want to assess the condition of all County-owned buildings and identify maintenance issues for the future. Tonight we passed a tax

rate but we haven't passed a budget. This year's focus has been on public safety and the welfare of our citizens. We honed in on a few areas in our proposed budget:

- Two County-funded road deputies which will bring us up to three on every shift.
- Two County funded School Resource Officers which will be shared between the elementary schools.
- Three more paid Emergency Medical Services positions to bring us up to full staff for 2 ambulances 24/7.
- Lucas device to provide continuous chest compressions which allows EMTs to provide other patient care.
- Power load stretcher for Medic 1 which loads itself into the ambulance.
- Extrication tools for two more fire departments so that all will have tools to use on the scene of an accident.
- Dedicated money collected from meals tax to purchase two new Sheriff vehicles.
- Completing the project of updating the dispatch call center.
- Funding Access to Community College Education which provides free tuition to New River Community College for Floyd County students who meet the criteria.
- Setting aside money to meet future school capital needs.
- Replenishing the budget stabilization fund so we do not require tax increases every year.
- Replacing some roofs and doing some other maintenance work that has been postponed for too long.

Economic Development Authority

Chairman Jon Beegle said that the EDA has been very busy and credited Lydeana Martin as being the central person for having the answers and getting things done. Mr. Beegle discussed many activities in which the EDA is involved:

- Working with the Board of Supervisors on constructing a 25,000 s.f. shell building which is included in the FY18 budget at \$2.5 million.
- Phlegar House agreement with the Floyd Historical Preservation Trust.
- Discussion on trails each entity is working on and identifying a sidewalk from Rt. 221 to Blue Ridge Apartments as a priority.
- C4 Business Development series over the past 3 years with at least 20 participants each time. We want to expand this program by having a young entrepreneurs group.
- Survey of existing businesses in Floyd to determine how to help them stay and grow.
- 5 & 10 Small Business Loan Program to help economic development. We make \$5,000 to \$30,000 small business loans. We've made more than 15 loans which total more than \$175,000. This has saved or created 35 jobs. We've only had about a \$2,000 forfeit on loans.

- Floyd Grown started about 18 months ago and the Floyd logo is just one thing that came out of that program. We got about \$60,000 in grants and \$10,000 from the Board of Supervisors. The purpose of the program is to understand and promote products made in Floyd and agritourism. We are exploring the concept of an online store. We were able to offer \$1,000 in assistance to 10 different companies.

Ms. Kuchenbuch, Mr. Beegle, Mr. Yoder, and Mr. Griffin each spoke about how well the various members of the local government bodies work together and how the creation of this Joint Committee was unique to the region and a major reason for the inter-cooperation among agencies.

Mr. Barry Hollandsworth, principal of Floyd County High School, stated that members of the Vocational Advisory Committee were also present for the meeting tonight. They decided to hold the final meeting for the year as part of this meeting.

Agenda Item 8. – Adjournment.

Chairman Jon Beegle called for each Board and Authority to adjourn their respective groups.

On a motion of George Nester, seconded by Andy Finn, and carried, the Economic Development Authority adjourned.

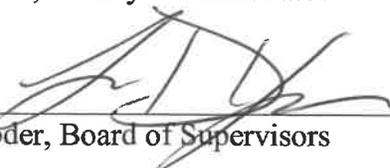
The Town Council did not need to adjourn.

On a motion of Laura LeRoy, seconded by Gene Bishop, and carried, the School Board adjourned.

On a motion of Supervisor Jerry Boothe, seconded by Supervisor Justin Coleman, and carried, the Board of Supervisors adjourned to May 8 at 5:00 p.m.



Terri W. Morris, County Administrator



Lauren D. Yoder, Board of Supervisors