

At a meeting of the Giles County Board of Supervisors on Thursday, April 18, 2013, at 3 PM in the Giles County Administration Building, 315 North Main, Pearisburg, the following were present:

Barbara Hobbs	Chairman (Central District)
Scott Dunn	Vice Chair (Western District)
Richard McCoy	At-Large Supervisor
Larry Jay Williams	Eastern District
Paul "Chappy" Baker	At-Large Supervisor
Chris McKlarney	County Administrator
Rhonda Tickle	Finance Director
Susan Kidd	Board Secretary

CALL TO ORDER

Ms. Hobbs called the meeting to order. She turned the meeting over to Gordon Jones with Robinson, Farmer, Cox and Associates. Mr. Jones is the partner in charge of Giles County's audit.

AUDIT REVIEW – FY 2012

Mr. Jones said he would like to talk about the reports issued by the auditors as part of the financial statements. The first of these is the Independent Auditors Report. For this year, as in year's past, the auditors issued an unqualified opinion (the best opinion you can get) so there is nothing negative to report there. Mr. Jones pointed out that the second report issued is on the internal control over financial reporting and on compliance. He noted this is often referred to as the "Yellowbook Report". There were two findings noted (2012-1 and 2012-2). The first is for segregation of duties – primarily dealing with accounts payable and payroll functions performed by Ms. Tickle. They do not feel there are enough people in those functions to properly segregate those duties. It is a common finding for entities the size of Giles and is nothing that has changed over the past few years. Ms. Hobbs said the county does not have the income that the state auditor has to remedy this. Mr. Jones said he knew that but auditing standards require them to put it in there. Even if they cannot afford to fix it, they have to include it. Ms. Tickle said that should be corrected on this audit because they have complete segregation on accounts payable. Also, between Ms. Tickle and Ms. Vaught there is segregation on parts of payroll. After July 1st, there will be segregation as far as PSA also. Mr. Jones said they would re-evaluate that as part of the audit in 2013 and hopefully that finding would go away. The second finding is referred to as a Statement of Audit Standards 115 finding. If as part of the audit, the auditors adjust the financial statements by a material amount, then that could be indicative of an internal control issue. For instance, if the accounts receivable number that was given to the auditors was not correct and they adjust that by a material amount, then they would put this finding in the audit report. He will explain where those adjustments are a bit later into the review. Mr. Jones said the report is on federal money received and is required when they are receiving more than \$500,000 in federal funds. There were no findings related to that report.

Ms. Hobbs said she would basically like to know how much money is left. Mr. Jones referred to a report he prepared for board members with a summary of the general fund for the past five years. This is where they normally look to see how well funded a county is. The total revenues were about \$21.9 million and based on the past five years they have been increasing about 2.75% annually. Most of that is driven by real estate tax revenue increasing at about 2.6%. The intergovernmental is misleading because in 2008 the communication sales tax was reported as other local taxes and in 2012 it was state revenue. It was improperly reported as other local taxes. The state revenue actually only increased by about 1.3% per year.

Mr. Jones discussed expenditures and noted they were relatively flat over the five year period – only .25% increase where probably 5% or less is typical. The main thing that shows is the county is living within its means. Revenues are increasing by almost 3% and expenditures are increasing less than 1%. Mr. Williams said Health and Welfare has increased \$1 million and schools have gone down by that much. Ms. Tickle said the debt service is probably not included in the school expenditures. Mr. Jones said all of the debt service for the schools is backed out of the county funds transferred to the schools and shown on the county side. Most of the

\$1.5 million in debt service in the general fund is probably spent on the school. That is because by law the school board cannot have debt. Ms. Tickle asked if it would be better to just move it over there. Mr. Jones said it could be paid out of the general fund and not moved to the school account at all. Ms. Tickle asked if the board would prefer they do that. Mr. Baker said he would. Mr. McKlarney said the majority is handled that way; the \$1.5 million is on the older projects. Mr. Williams said he thought it was the thing to do. Ms. Hobbs asked if when they say "back it out of the schools" does that mean they also back the money out. Ms. Tickle said when you look at the audit, it looks as if the school doesn't receive all of their money when in fact they do, but the auditors have to back it out. Ms. Hobbs said it should be budgeted where it is spent. Other board members agreed to move that money for debt service out of the school board budget and back into the general fund.

Mr. Dunn asked about the money for recovered costs. Ms. Tickle said most of that is for things like Social Services repaying health insurance payments. There are a lot of items like that lumped into one category. Mr. Dunn said it had increased and he was just wondering why. Ms. Tickle said that is because of the fuel reimbursements. Mr. Jones said to see what the details are in things like recovered costs they should refer to Schedule I and Schedule II of the audit.

Mr. Jones noted the "other financing sources" that are typically transfers-in and transfers-out. These are debt related items – capital improvements or water funds. The fund balance for 2012 increased by \$2.3 million. The cash in the general fund is a little over \$6 million as of June 30, 2012. Mr. McKlarney said that figure also included obligated funds. Mr. Jones said people often ask what a sufficient number for a fund balance is. He explained how they arrive at a figure. The county has a fund balance of about 21% and cash in that fund is around 17%. A good number is anywhere from 15-25% so the county is right in line with those numbers. Last year it was at 15% and 11% so that has increased some. A "good" number is all subjective, so it really depends on the board's philosophy and what they want to keep in there.

Mr. Jones discussed the summary of debt for the county. General obligation for 2012, including schools, was \$26.8 million. Water was \$5.6 million and total is \$32.5 includes IDA obligations. With current population, debt per capita was \$1,974. State average is \$2,900 per capita, so that is a good bit below average. Mr. Williams asked if IDA debt was about \$5 million. Mr. McKlarney said he was unsure, but the hospital debt alone is over \$3 million so it may be more than that. Mr. Jones said total IDA debt is about \$6.5 million. That included the hospital project and NanoSonic.

The final item in Mr. Jones' report was a summary of real estate tax assessment over the past 10 years. Those have increased at about 7.5% per year. Personal Property increases about 1% annually. Mr. McCoy commented that the Machinery/Tools tax increase was almost non-existent. Mr. McKlarney said there was a significant increase over the last couple years – it is about \$70 million in the past 10 years. Mr. Jones noted that was much better than most areas have seen. He commented that 54% of the county revenue comes from real estate tax and 29% from intergovernmental revenues. Mr. Jones detailed expenditures from the general fund – 27% goes to education, 21% to public safety and health and welfare. None of the other categories are over 10%. The general fund to education amount dropped because some of the debt service was moved into the general fund.

Mr. Jones reviewed the letter that is a "Charge to Government". This is just a summary of the audit process and there is nothing negative in there. The finding was noted as corrected in statements and also that adjustments had been made to the financial statements. These are adjustments the auditors made to get them to apply with generally accepted accounting principles. Mr. Williams asked if this was all pass-through funds. Mr. Jones said it means as they audited account balances, they found numbers that were not included or that were and should have been taken out, so they adjusted for that. Mr. Williams asked about the CSA funds. Mr. Jones said when Ms. Earhart came up with the number, they just did not post it to the books so the auditors went in and posted it. Ms. Hobbs asked what he meant by 'didn't post it'. Ms. Tickle said the journal entry was not done. Ms. Hobbs asked why not. Ms. Tickle said she did not know; she was not responsible for making journal entries. Mr. Jones said he could make excuses, but there are hundreds of journal entries made to the books and they simply missed a few. Ms. Tickle commented that this was a first year any had been missed since Ms. Earhart had been doing it. Mr. McKlarney asked what impact that might have. Mr. Jones said it is an internal control issue and they reported and corrected it. It doesn't mean anything was taken or hidden – nothing like that. It is really a technicality in the audit statement.

Mr. Jones said the last thing he would review is management comments all of which are very minor. Ms. Hobbs asked why they did not conduct an exit interview before these were reported to see how many had already been corrected before the auditors left. Most were taken care of before the auditors left so she felt they should have set down and gone over them. Mr. Jones said he could do that. Ms. Hobbs said the problem is that once this is received, it becomes public record. Anyone can obtain a copy of it and some of the things make it look like someone was trying to hide something. That is absolutely not the truth. She felt an exit interview would help clear up a lot of those things.

Ms. Tickle asked to go back to discussion on the entries – these are entries the auditors make to put things in their perspective. It does not mean they were not recorded by the county. Mr. Jones said some things are just like reimbursements for June might not have added to accruals.

Mr. Hobbs asked to go back to Comprehensive Services – she noted some comments that the county and state budgets are constants at a difference on totals for this. She asked if that was because the state ends Social Services budget on May 31st and the county ends on June 30th. Commonsense would tell you there is going to be a difference. Mr. Jones said he did not remember making any comment on that. Mr. Williams said it might be a comment he made because it looks like the county is not getting all their reimbursement from the state. Mr. Jones said to his knowledge the county is getting everything they are supposed to get from the state on CSA. There is a time lapse on some of it. Mr. McCoy said it should show up in the next fiscal year. Mr. Jones said they are allowed to keep the CSA program open through September so the June reimbursements received through September would be shown. Mr. Williams said that answers his question.

Mr. Williams commented that Mr. Jones' review was helpful in understanding the audit report. Mr. McCoy asked if most of the management comments were corrected – particularly the one about Castle Rock. Mr. McKlarney said they were. Ms. Hobbs said most were corrected before the auditors left. Mr. McKlarney said even if the items were corrected did they still have to report them. Mr. Jones said usually, but if he felt the correction was made and was sufficient, he would remove it. Technically though, these are issues during the year and need to be reported. He acknowledged some of them were 'picky' and that he needed to do a better job sitting down and doing an exit with administration. Ms. Hobbs said by the time the audit is received they are a year down the road. With an exit interview, those things could have been fixed much sooner. Mr. McKlarney said Mr. Jones and Ms. Tickle do communicate a lot throughout the year. Mr. McCoy commented that overall the audit findings and management comments were nothing – very minimal. Mr. McKlarney said Castle Rock is one of the areas he always points out when he completed the fraud questionnaire and that is one reason Mr. Jones looks more closely there.

Mr. Williams noted that on Revenues from the Commonwealth, education was \$400,000 short; he asked if that was due to a timing issue. Ms. Tickle said it was not. It is because the ADM for the school dropped and also they had a mid-term reduction from the state. The budget is based on ADM numbers, but they did not get to that number by March and the money was decreased. Mr. Williams also noted that Public Assistance and Welfare had about a \$41,500 decrease in revenue. Ms. Tickle explained that was most likely open positions that went unfilled for a period of time, so the revenue for that position was not received. The reimbursement is based on expenditures and if they had no one in the position to pay, then there was no reimbursement. Mr. Williams asked if the SRO grants were received. Ms. Tickle said there are no SRO grants – it is just put under that category. The county actually pays 100% for SROs. Ms. Tickle said she places the revenue one place, but when Ms. Higginbotham keys them in on the other side she places them where she thinks they should be. The SROs have always been under that grant. If the board would like to tell them not to put it there, they can. Board members said there have not been grants for many years and it should be added where it actually is. Ms. Tickle will request that it not be budgeted under grants in the future.

HEALTH INSURANCE

Mr. McKlarney updated board members on options for employee health insurance. Optima Health made a proposal that offers employees a significant savings over what they have been paying. There are three plans -- \$500 and \$2,000 deductible and a \$2,500 deductible with a Health Savings Account. On that HSA plan, Mr. McKlarney proposed putting \$100 per month to employees to assist with the \$2,500 deductible. After they

reach that deductible, the plan would pay 90%. The \$100 per month would go on a credit card and employees would spend as they see fit. They can spend on things other than health care, but would be taxed on that at the end of the year. He explained this is a typical change in healthcare and tends to cause employees to be more careful about their health care because it comes out of their money. Employees can also elect to put some of their own money into the HSA and it would be done on a pre-tax basis. Mr. McKlarney said he did feel there would be significant increases in healthcare next year, but there may be a few more options available also.

Mr. Dunn said the board has discussed that they need to decide if they are even going to be in the business of offering insurance in the future. Ms. Hobbs said she did not think they had a choice this year because there are no other options right now. Mr. McKlarney said the surveys employees completed show where the county would stand after January 1. Of 80 surveys, 25 employees would qualify for the federal subsidy. There are 20 additional that qualify in terms of income but spouses work somewhere that insurance is offered. In that situation, even though you qualify financially, you would not be eligible for any type of subsidy. Ms. Hobbs said the subsidy is not in place yet. Mr. McKlarney said January 1 is the date it is available and you can start signing up on October 1. Ms. Hobbs said the federal government is saying it is not ready. Mr. Dunn said if the county continues to provide health insurance that means everyone has to take it. Mr. McKlarney said it was all or none. This year the annual cost to provide insurance and the \$300 subsidy for opting out, the county would pay \$457,000 per year. If they opt out, they would have to pay the tax for the employees – estimated at about \$150,000. Then, the county would pay the cost they choose to give employees to find insurance – example \$300 – the cost would be \$563,000. It would cost \$100,000 more to get out of the health insurance game than to stay in. The bad part is those 25 people who would qualify for free insurance for their families will not get it. Board members agreed they had to offer insurance – it saves the county money and they would only help 25% of the employees by getting out.

Mr. McKlarney said the county is ready to finalize the Consolidated Services group. PSA has 17 of their 21 employees who would benefit from that. The school system has a lot of employees who would benefit, but they have no plans to get out of offering health insurance. The county has people who would benefit and could roll into consolidated services, but all those put together make up more than 50 employees. If a group goes over 50 employees, they would have to pay a tax if they get out. It would affect PSA the most. There is a lot to consider before making any changes.

Ms. Tickle noted that the school system is switching to Optima Health, so that puts everyone on the same playing field now and going forward can be on the same plans. Mr. McCoy said the board now needs to give options to employees and they can select their plan for July 1. Mr. McKlarney said it doesn't change the budget any since the Board set a cap of \$500, but it helps the employees a lot.

Mr. Baker moved to go with Optima Health for healthcare beginning July 1st and to establish a Healthcare Savings Account of \$104 per month into an account for those individuals who choose that option. Second by Mr. McCoy. Approved unanimously (5-0). Voting YES: Mr. Baker, Mr. McCoy, Ms. Hobbs, Mr. Williams, Mr. Dunn.

BUDGET DISCUSSION FY2014

Mr. McKlarney said although Mr. Jones reported the working fund balance as of June 30th to be \$6 million, the working number (after taking out obligated funds) is about \$4,851,000. The pay increase for county and schools is 2.75%. That is 2% pay increase with a .75% increase utilized to pay the taxes on a 4% increase on VRS which is mandatory. Constitutional officers and their employees are getting a 3% raise which is mandated by the state. There is compensation board funding for that portion, but the other is local funds. Everyone will get the 4% increase that goes to pay their VRS. Mr. Dunn asked if that could be phased in at 1% each year. Mr. McKlarney said it could but every year they will do this same thing. The county is paying it anyway so it doesn't cost any more to do it all now. The total cost of that 2.75% increase is about \$135,000 and the school is around \$500,000. Mr. Dunn said it was about \$635,000 to come up with for a raise. Ms. Tickle said the schools do get some offset from the state on theirs. They also had a decrease in their insurance costs, the schools are asking for level funding from the board.

Mr. McKlarney reviewed additions in the budget. **Software** upgrade is \$80,000 but the county paid more than that for Bright's when it was purchased. **DGIF** is grant funded and the county has to supply 20% and the Town of Pearisburg will pay 10%. The **ARC** grant is \$75,000 with the IDA paying a 50% match. **TANF** is the welfare-to-work program. He has just estimated the cost of running the program plus transportation. The **telephone system** is \$75,000 for VOIP system and the return on that investment is estimated at 4 years. This is for every county office. The idea is to pay \$200,000 to extend the fiber to Pearisburg, which the schools have to have, and the county will connect to that. There will be some phone bills to keep at least one traditional phone line in each office in case the internet is down. Mr. Williams asked if PSA would be able to use this system also with the water tanks. Mr. McKlarney said no those require a phone line. The water treatment plant can be on VOIP but not the tanks. The new software PSA is planning on is all digital and sent over radio waves. The **Eastern District water project** already has \$3 million in the bank and it is a matter of starting to draw it down. Those are the increases in the budget. Mr. McKlarney said they have to use \$388,000 in prior expenses and that is the engineering costs for the Eastern Corridor water to reimburse the county. General fund transfer is \$358,000 to make the budget balance. Ms. Hobbs asked if that was the amount to balance the budget. Ms. Tickle said it was out of reserves and it did balance.

Mr. McKlarney said this was with no tax increase this year. They are able to do that and survive. The county is seeing about 2.5-3% increase annually in revenues. They could continue to spend down reserves by \$500,000 or more a year, but that is not smart business. Mr. Williams said he would rather do it a little bit along the way instead of a large increase at once. Ms. Hobbs said she would recommend with the governor raising state income tax this year, the board try to get by without raising taxes and make it known to the public they are looking at a minimum of 5¢ next year. Mr. Williams said on the revenue side, he felt there were a few places it could be increased. A lot of property just did not get assessed by the Commissioner's office.

Mr. McCoy said a few years ago they were looking a very low fund balance and he did not want to see that again. They need some reserve in case something happens; they should never be setting there with zero. He said he could go with a few cents this year, or wait and do a larger amount next year. He just did not want to see the reserves drop below \$3.5 million. Mr. McKlarney said the county is strong in lending institution's standards and that is the reason for the good rates they get on loans.

Mr. Williams asked about the school board budget. Ms. Tickle noted that the budget shows the Eastern Project on there because they are not finished with the contractor on an A/C issue. They have added \$400,000 to the school budget and added it to the revenue to offset that. It will likely be less, but that is the amount in there. The proposed increase for school employees is 2% for everyone. Ms. Tickle said this is a technicality, but they needed to make a motion that the school took away the insurance savings and if there is a run-out, the supervisors agreed to pay it.

Mr. Baker moved that if the school system experiences a run-out on their insurance, the Board of Supervisors is responsible for that amount. Second by Mr. McCoy. Approved unanimously (5-0). Voting YES: Mr. Baker, Mr. McCoy, Ms. Hobbs, Mr. Williams, Mr. Dunn.

Mr. McKlarney said most groups asked for more money from the county, but this budget has level funded everyone. Ms. Tickle said there are a couple new to the budget. One is the VISTA Volunteer position at \$3,500 and a \$250 contribution to Giles Youth Partnership. Rene Cox with GYP had asked for that and the board told them to ask for it during budget time. Ms. Hobbs said the VISTA volunteer should be taken out totally and deducted from their budget the amount spent this year on that position. Mr. McCoy said he would go along with taking it from the upcoming budget, but not with backing up because they had already agreed to fund that. Ms. Hobbs said some of that was misleading because they were lead to believe the existing programs would not be done without the volunteer.

Mr. Baker moved to remove the fund for the VISTA position from the 2013-14 budget. Second by Mr. McCoy. Approved unanimously (5-0). Voting YES: Mr. Baker, Mr. McCoy, Ms. Hobbs, Mr. Williams, Mr. Dunn.

Mr. Williams asked if Skyline Soil and Water increased their request. Ms. Tickle said they did, but all groups were level funded. They currently receive \$8,000 and ask for \$8,240. The only agencies increased were the

ones the county is obligated by contract or statute. It was noted that Highland RC&D had dropped their request back to \$700.

Mr. Williams moved to drop Highland RC&D back to \$700 for the FY2013-14 budget and increase Skyline Soil and Water to \$8,240. Second by Mr. Baker. Approved unanimously (5-0). Voting YES: Mr. Baker, Mr. McCoy, Ms. Hobbs, Mr. Williams, Mr. Dunn.

Mr. McKlarney said the budget does not show any increase in vehicle decal fees. Ms. Tickle said that is because the extra was allocated for Emergency Services and there is no line for that. All of the extra funds from the decal increase were not spent this year, so they will roll over into the next fiscal year. Mr. Williams asked if the county was obligated to take all their inmates to the regional jail. Mr. McCoy said Mr. Chidester had indicated that was required. Mr. McKlarney shared information from the regional jail budget meeting and they are showing an anticipated increase for Giles of \$88,000 for next fiscal year. Ms. Tickle said it was based on what they budgeted but there are no actual numbers in there or any revenue to offset it. Mr. McCoy said the trouble is the board over there votes on it and the county has to pay it because we are contractually obligated. There was further discussion on the jail's budgeted amounts for the counties – they were not based on actual pay; they just put in numbers that made their budget balance. Mr. Dunn commented he heard they also purchased six new vehicles at the jail.

SUPPLEMENT TO BUDGET

Mr. McCoy moved to approve a supplement to the FY2012-13 budget in the amount of \$400,000 for the Governor's Opportunity Fund for Celanese. Second by Mr. Baker. Approved unanimously (5-0). Voting YES: Mr. Baker, Mr. McCoy, Ms. Hobbs, Mr. Williams, Mr. Dunn.

HOME CONSORTIUM FUNDS – RICH CREEK ASSISTED LIVING

Mr. McKlarney presented a request from Mr. Spencer and Mr. Topping asking that the Rich Creek assisted living project be allowed to request \$50,000 now that would be taken from the HOME Consortium funds that will come to Giles in 2018. This would decrease the 2018 fee by \$50,000. That amount is needed to finish the assisted living project.

Mr. Williams moved to approve giving \$50,000 of HOME Consortium funds to the Rich Creek assisted living project with that amount to come off Giles County's 2018 appropriation. Second by Mr. Dunn. Approved unanimously (5-0). Voting YES: Mr. Baker, Mr. McCoy, Ms. Hobbs, Mr. Williams, Mr. Dunn.

EXECUTIVE SESSION

Mr. McCoy moved to go into Executive Session as permitted by Virginia Code 2.2-3711 A(1) Personnel and A(30)Contracts. Second by Mr. Williams. Approved unanimously (5-0). Voting YES: Mr. Baker, Mr. Williams, Ms. Hobbs, Mr. Dunn, Mr. McCoy.

Mr. Baker moved to certify that in the closed session just concluded, the Board discussed nothing except the matters specifically identified in the motion to convene and lawfully permitted to be discussed under the provisions of the Virginia Freedom of Information Act cited in that motion. Second by Mr. McCoy. Approved unanimously by roll call vote – Voting YES: Mr. Baker, Mr. Williams, Ms. Hobbs, Mr. Dunn, Mr. McCoy.

HEALTH SAVINGS ACCOUNT

Mr. McCoy moved to pay the Health Savings Account to participating employees on July 1 and January 1. Second by Mr. Baker. Approved unanimously (5-0). Voting YES: Mr. Baker, Mr. McCoy, Ms. Hobbs, Mr. Williams, Mr. Dunn.

SCHOOL BUDGET

Ms. Tickle said if there is any money left in the school budget, would the board give them permission to carry it forward. They do have 6 or 7 buses that are about 15 years old and would like to purchase one if there is anything left. Ms. Hobbs said this is just April so they should come back and discuss that nearer the end of the year. She said if they are able to save enough to buy buses, then maybe they are budgeting too much. Ms. Tickle said the reason they may have some this year is due to the increase in ADM this year. Also, before everything was completed with the VRA refinancing, Ms. Tickle gathered everything paid out for the school reconstruction for VoTech and Eastern that was not included in construction and they may have enough of that to help purchase one bus. Mr. Williams said they do have to replace the buses eventually, but they are in pretty good shape.

Mr. McCoy moved to allow the school to carry over any money left in their budget at the end of the fiscal year to be used to purchase a bus. Second by Mr. Williams. Approved unanimously (5-0). Voting YES: Mr. Baker, Mr. McCoy, Ms. Hobbs, Mr. Williams, Mr. Dunn.

There was discussion on the cost and scope of the Day Report Program. Board members felt that when the program began, the clients were working for PSA, Castle Rock and other places. Now they don't seem to be anywhere except the Mission. The county is just not getting the work out of them as they did when the program started. Mr. McKlarney was asked to get a report on clients and utilization.

EXECUTIVE SESSION

Mr. McCoy moved to go into Executive Session as permitted by Virginia Code 2.2-3711 A(1) Personnel. Second by Mr. Williams. Approved unanimously (5-0). Voting YES: Mr. Baker, Mr. Williams, Ms. Hobbs, Mr. Dunn, Mr. McCoy.

Mr. Baker moved to certify that in the closed session just concluded, the Board discussed nothing except the matters specifically identified in the motion to convene and lawfully permitted to be discussed under the provisions of the Virginia Freedom of Information Act cited in that motion. Second by Mr. McCoy. Approved unanimously by roll call vote – Voting YES: Mr. Baker, Mr. Williams, Ms. Hobbs, Mr. Dunn, Mr. McCoy.

YOUTH WORK PROGRAM

Mr. McKlarney said the work program will be managed by WIA. The cost is about \$10/12,000 for the entire cost of the program and IDA has agreed to pay for it. The advertisement needs to be done very soon. He wanted the board to agree to this before moving forward. Ms. Hobbs asked about the kids who did not get in the program. Also, if the employer is willing to hire them, then let them do it. Mr. Williams said if more than 21 people want to do it, he will come back and ask for more money. He said he hoped this taught the kids a work ethic and also help local employers. Mr. McKlarney said if any of the 21 qualify for WIA, they will pay for it. The funding will pay for 21. He explained the process is the schools will look at the applications. They will train them in interview skills, completing applications, resume building, safety training. They will set through an interview process with the employers. Then, they will meet with the parents of those who are chosen on June 10th and they will start to work on June 17th.

The meeting was recessed and will reconvene at 6:30 PM at the General District Court.

Ms. Hobbs called the meeting back to order. Mr. McKlarney led the invocation and Pledge of Allegiance to the flag. Ms. Hobbs announced the public hearings scheduled for 7 PM and encouraged anyone wishing to speak to sign up.

DELEGATE JOSEPH YOST

Delegate Yost provided a brief update on the 2013 General Assembly Session. They looked at the 2012-14 biennial budget and plugged the \$45 million hole in the Aid to Locality Funding – the 'rebate' system where the state gave counties money and then asked to have it returned at the end of the fiscal year. That practice has been stopped. They also expedited the repayment of the deferred payments to VRS that were taken out between 2010 and 2012. An extra \$100 million has been put in to bring that along quicker. An additional \$600,000 was put into the budget to aid local libraries and will be provided to counties and cities.

After the incident in Connecticut in December, the Governor created a School and Safety Taskforce of which Delegate Yost is a member. They looked at creating a fund for School Resource Officers operated through Department of Criminal Justice so schools that did not have SROs could apply for funding. They also created a revolving security equipment fund with \$30 million so school will have the opportunity to apply for money for security cameras, locking doors, etc.

The last two bills Delegate Yost spoke about were HB1488 and HB1356. HB1488 dealt with Storm water Management. That bill basically would have delayed the implementation of counties having to assume the storm water responsibilities until 2015. Unfortunately, that bill did not pass but they will try again next year. This would allow counties some additional time to deal with the regulations and requirements. HB1356 dealt with allowing localities the ability to opt into the state employee health plan so local governments and schools could join the state plan without having to worry about procuring and administering those plans. Studies indicated it could save localities across the state between \$60-70 million. By increasing the pool at the state level, it would allow them to better negotiate premiums in the long run.

Ms. Hobbs asked why the state threw the Storm Water Management Program back to the county but they still want to collect the revenue from it. Delegate Yost said he did not have an answer for that but he did understand what she was saying. Ms. Hobbs said the county has to charge what the state says and then send the money to the state. Mr. McCoy said funding would be available for schools that do not currently have SROs. He asked if schools and counties have been intelligent enough to keep them and pay for them over all these years be able to get money back or help to continue the program. Delegate Yost did not know but will look into that. Mr. McCoy said this county made that decision years ago to keep them and pay for it with local funds. It would be nice to get some of that back. Delegate Yost said he did not realize that most of the county schools have SROs but larger areas like Fairfax do not have them in all schools – most have them only in high schools. He said he was surprised and impressed recently when he went to visit Macy and could not open the door without being identified and 'buzzed' in. He was impressed at how quickly they turned that around. Mr. McCoy thanked Delegate Yost for helping get some transportation funds back to localities. Board members expressed appreciation for all of his assistance in various matters. Delegate Yost said his office is in Pearisburg and they know how to reach him if they need to.

APPROVAL OF MINUTES

Mr. Baker moved to approve minutes of March 21, 2013. Second by Mr. McCoy. Approved unanimously (5-0). Voting YES: Mr. Baker, Mr. McCoy, Ms. Hobbs, Mr. Williams, Mr. Dunn.

CONSTITUTIONAL OFFICERS

Todd Martin, Regional Jail Representative: Mr. Martin reported the jail population at 1,257. Giles County had 185 arrests in March with 120 remaining in jail. There has been one resignation in personnel. The Authority has been discussing localities picking up some of the state-responsible inmate costs again. There is a budget meeting scheduled for April 23rd and Mr. Martin will be asking about the reserve funds at that time. Ms. Hobbs asked if they are saying the reserves (\$13 million) are gone. Mr. Martin said they are saying it was pretty much gone – they said they were \$1 million short last month. Ms. Hobbs asked if that meant deficit spending for the month; Mr. Martin said it did. Mr. Baker asked if they were showing where the \$13 million in reserves went. He said the county needed an audit statement showing where that money has gone.

Mr. Martin said he asked and localities are not being charged for home monitoring. He said the Authority is planning to raise per diem or have counties pay more for state inmates. Mr. McCoy asked if they could do that; he thought DCJ told them they couldn't and that was the reason they paid counties back the money. Mr. Chidester said the problem is the state doesn't pay enough to cover the cost of keeping the inmates they leave there. Either they have to charge extra for those or raise the per diem on the others. One way or the other, they are going to charge localities for it. Mr. McCoy said he would prefer they call it a per diem increase instead of charging for state prisoners because they have been told they cannot do that. Mr. Chidester said the thing to do is try to make the state taken their prisoners after 60 days. Mr. McCoy said they probably should have had that discussion with Delegate Yost. Mr. Chidester said he has had that discussion with him.

Mr. Martin reported that the Regional Jail took 23 trustees to Red Onion Prison. Ms. Hobbs asked if Grayson was open. Mr. Martin said it opens in October. Ms. Hobbs asked if all the state prisoners would be transferred then. Mr. Martin said the jail is expecting to lose about 25 because Grayson will be taking prisoners from all localities. He said some of the sheriffs are not happy about the increase so maybe they will vote it down. He said they also need to find out where the \$13 million went and see how much is in the fund balance. Ms. Hobbs asked if the county needed to send a letter to the director asking for this information. Mr. Martin estimated they would probably vote on the budget the first Friday in May. The board asked Mr. McKlarney to get a letter prepared for Mr. Martin to take to the meeting.

WATER LINE MATERIAL BIDS

Mr. McKlarney presented information on bids for materials to complete the water line to the tank on the Moore property.

Mr. McCoy moved to approve to allow bid for materials to complete the water line to the tank on the Moore property. Second by Mr. Baker. Approved unanimously (5-0). Voting YES: Mr. Baker, Mr. McCoy, Ms. Hobbs, Mr. Williams, Mr. Dunn.

CHRISTIANSBURG INSTITUTE

Ms. Hobbs noted the board received a letter from the Montgomery County Board of Supervisors encouraging them to donate \$5,000 to assist with the renovation of the Christiansburg Institute. She wished they could honor some of the requests they get but they are holding the line on the budget. Even if the board voted to approve it, they do not have the money to fund it.

Mr. Baker moved to deny the request to fund the Christiansburg Institute as the request would be for funds outside the budget. Second by Mr. Dunn

Discussion: Mr. Williams said this was a pretty important thing and Giles did have people who went there. Ms. Hobbs said she was aware but they did not have the money. She asked if they wanted to take it out of the school budget now. Mr. Williams said he did not but asked Mr. McKlarney if they could find money in the budget. He said he just wished they could honor it; it was a good thing.

The motion was approved unanimously. Voting YES: Mr. Baker, Mr. McCoy, Ms. Hobbs, Mr. Williams, Mr. Dunn.

PAYMENT OF WARRANTS

Mr. McCoy moved to appropriate funds in the amount of \$534,891.31 for payment of the warrants as presented. Second by Mr. Baker. Approved unanimously (5-0). Voting YES: Mr. Baker, Mr. McCoy, Ms. Hobbs, Mr. Williams, Mr. Dunn.

SCHOOL BOARD APPROPRIATION

Mr. Baker moved to appropriate funds in the amount of \$2,106,708.92 for the month of May, 2013. Second by Mr. McCoy. Approved unanimously (5-0). Voting YES: Mr. Baker, Mr. McCoy, Ms. Hobbs, Mr. Williams, Mr. Dunn.

SOCIAL SERVICES APPROPRIATION

Mr. McCoy moved to appropriate funds in the amount of \$190,000 for Social Services and \$100,000 for CSA for the month of May, 2013. Second by Mr. Baker. Approved unanimously (5-0). Voting YES: Mr. Baker, Mr. McCoy, Ms. Hobbs, Mr. Williams, Mr. Dunn.

VDOT SIX-YEAR PLAN

Ms. Hobbs said VDOT had some additional funds to add to the six-year plan. There is a situation in the White Gate area partially because the board has approved a Commercial Establishment off a gravel road. VDOT has not had the money to keep that road up and tractor trailers go in and out picking up the out-buildings and keep the road messed up. She asked board members to consider putting this road on the six-year plan as a priority. The board created that problem by allowing a business off of that gravel road. Mr. Williams said he realized there was a problem, but they have always tried to take turns doing projects in the districts and the last two were in the Central District. Ms. Hobbs said that is because she had to wait so long on those two. Mr. Williams said that is the reason for a six-year plan – to plan it and stick to it. He could not support moving that road around others already on the list. Ms. Hobbs said the list ran out. Mr. Williams said that was because they removed some for lack of money; there is a priority list. He asked if she had considered revenue sharing. Ms. Hobbs said the county doesn't have anything to share. Mr. Williams said the business is there and could share. Mr. McCoy asked how long this has been an issue. He suggested asking VDOT to give them an estimate on the road and go from there. Mr. Williams agreed to get an estimate.

Ms. Hobbs said a citizen approached her this week asking if he could raise 'cane' with VDOT tonight on the Darnell Mountain Road. She told him VDOT would not be here, but they should be at the next meeting. Mr. Williams said Darnell Mountain was on the plan but was taken off. Mr. McCoy said he thought they talked about adding those back. Since they now know there going to be funding, they probably need to start work on a revision of that list. Mr. Williams said VDOT used to put estimates on the list. Ms. Hobbs said they used to break it into engineering and construction costs but they don't do that anymore.

PUBLIC HEARINGS

SPECIAL EXCEPTION REQUEST – FIRING RANGE IN NEWPORT/CLOVER HOLLOW AREA

Ms. Hobbs opened the public hearing. Mr. Ross presented a request for a special exception for a Commercial or Service Establishment – an outdoor firing range and training facility. The property owner is Betsy Ross Link. Tom Miller is acting as agent. This property is located on clover Hollow Road near Newport and is zoned RRA1.

Tom Miller: Mr. Miller stated he was not here in his position as a land seller and he had no financial interest in this project. He felt this was needed in Giles County and would be located on a very small portion of a large tract of land that is surrounded by other large tracts. The owner and her son, Barry, were present at the meeting. This is a family farm that has been in the family for many years and is not an outside person coming into the area. The topography of the area is such that the developed range would be surrounded by natural hills and have a buffer zone that would increase the safety and act as a sound barrier as it is down in a low lying area and the sound stays in that area. The range would not be near residential areas. The reason Mr. Miller felt this is needed is that Giles County has no managed ranges for the shooting sports. Several adjoining counties do have managed ranges – Pulaski, Montgomery and Bland being three. The range would serve a multi-purpose by providing training in the shooting and handling of shotguns, handguns, and rifles. It would be done in a safe location with proper backstops and instructors on site. They plan to work with youth groups to provide safety handling and marksmanship training at an early age. It will provide basic hands on training for people getting concealed weapons permits. Mr. Miller said he spoke to the Assistant Prosecutor, Debbie, and she said there were about 200 concealed weapons permits within the past few weeks. A lot of people get their training

by going on-line and have never handled a gun. It is unfortunate they can get a concealed carry permit to carry a loaded gun with training on even the safety features of the gun. Mr. Miller stated the range would be fully certified and approved and will have full liability coverage. This range will not be for the public like some of the others in the area. The reason for that is if people showed up who are not abiding by the safety guidelines, then they can be asked to leave. Mr. Miller said being a realtor and being in many homes in Giles County, it is almost the exception rather than the rule that there are a high percentage of gun owners in this rural area. It is a good idea to have training course where people can safely shoot the type of weapon they own. Mr. Miller said the owner and some of his invited friends have been using this location to legally shoot for the past year and a half. They have not heard any complaints that they are aware of. Mr. Miller said he personally went through the Newport area to several locations when they were practicing and could not hear any sounds. He said someone else might be able to, but this is probably one of the safest areas in Giles County as far as bullets and not disturbing anyone. The next door neighbors have not been aware of the shooting and the adjoining land owners have not expressed a problem to his knowledge. Mr. Miller said the question they need to ask is will Giles County be a safer place with a facility like this and a managed range. This is not a gun issue; it is a safety issue.

Deborah Cosgrove: Ms. Cosgrove said her main concern was the noise. Contrary to what Mr. Miller said, the noise is tremendous. High powered fire arms are extremely noisy. They are located in the valley between two mountain ranges and the noise of gunshots is greatly intensified by bouncing off all the hillsides. Large caliber weapons sound like cannons. Ms. Cosgrove said many local residents, including herself, work in their homes and would be subjected to this noise all day long. It would cause barking, nervousness in pets and farm animals. Stray bullets – Ms. Cosgrove felt this was unsafe. She walks in the valley every day and her home is very close. Property devaluation- property in the surrounding area would become difficult to sell, seriously reducing the market and tax value. From the perspective of a potential buyer, folks move to the area to enjoy the beauty, peace and tranquility – which would be gone. The roads here are narrow and not equipped to handle the large increase in traffic. With the increased traffic comes an increase in roadside maintenance and litter. Ms. Cosgrove said she was proud of her valley and wanted to keep it safe, beautiful and peaceful.

Trevor Pratt: Mr. Pratt shared several pieces of data and documents with the board. There are 65 homes within 1.25 miles of the proposed site; extending it to 2 miles increases that to over 100 homes. He also had a signed petition by all the landowners within that 1.25 mile radius. The highlighted names on the petition are the adjoining property owners. Mr. Pratt said safety was a major concern. A quick search of media showed that stray bullets are causing a lot of injuries and actually killing nearby neighbors. Most of the ranges that had issues with stray bullets were bermed or barricaded. The land in question – the valley they are shooting in – lays north/south so it actually creates a tunneling effect for noise. Either side of their boundary is open pasture field. Mr. Pratt said he had personally witnessed a stray bullet from a target range. He also had signed statements from residents on State Route 42 in Craig who were subjected to a shooting range much like the proposed one. This range was recently shut down. Mr. Pratt said he was not anti-gun, anti-hunting, or against sport shooting. However, everything has its place and this place is just not right for this facility.

James E. Lucas: Mr. Lucas stated that in addition to representing himself, he also represented his mother who owned about 400 acres approximately 1 mile from the property being discussed. She was unable to attend. Mr. Lucas said Clover Hollow is a wonderful, nice, quiet, farming and residential community. A lot of people have moved in because it is so nice. That has increased the tax base and helps everyone. One of the factors the board has to consider is the effect of the proposed use on neighboring property values. Mr. Lucas said he is a real estate appraiser and could assure the board that this would impact property values. He asked if in the Comprehensive Plan the area is looked upon as agriculture and low density residential or as a commercial/firing range area. He hoped the comp plan would be considered in this decision. Mr. Lucas said he owned guns and was not anti-gun or anti-gun training, but this is not the appropriate place for it. It needs to be somewhere else and away from nice residential properties and nice farms.

Donna Pitt: Ms. Pitt stated she lived in Clover Hollow. She presented the Board of Supervisors with copies of two studies conducted on the Craig Creek Firing Range in Montgomery County. These showed that the lead concentration in a firing range of this kind makes the land – not legally unable to be sold – but morally unable to be sold. It should not be grazed or tilled because of the lead content.

Michael Little: Mr. Little stated he was active duty with the US Marine Corp. He was asked to come to address some of the people's concerns about military weapons or military munitions that would be used on this range would exceed what is available to the civilian community. Mr. Little said one weapon brought up to the owners of the range was the 50 caliber BMG. The military stance on the 50 caliber BMG is that it has a maximum effective range of 6,500 meters. This can be abated with berms and by depressing the barrel. He said he also understood that a commonly used hunting round in this area is the 300 Win Mag and 700 Magnum which actually exceed the range of the 50 caliber by 5,090 meters. The range, as it is set up, in Mr. Little's opinion, would meet the requirements for most of the non-explosive military weapons that will be used on that range.

Tom Brobson: Mr. Brobson stated that he has lived in Clover Hollow for 25 years and runs a Christmas tree farm there. He was here 13 years ago for a public hearing – John Talbott was the county person then – and was stated as part of a strategy for Giles County to enhance revenue growth for the county tax base by driving property values up in the Eastern District of the county. Mr. Brobson said he did not necessarily agree with that but he did understand the logistics and reality of it. It was discussed and openly acknowledged. At that time, Mr. Brobson said it was a time that he had to face that the quiet area of Clover Hollow may become more developed. Thirteen years later, he can now say that has worked. He has seen his property values increase and has seen a lot of subdivisions go into the Eastern third of the county. Mr. Brobson said the question for him was how does this special exception play into that stated objective. If this is going to depress property values, then this is going to be cutting into the county's revenue. Mr. Brobson said that is one objective of speaking – to remind them of where they were 13 years ago.

Mr. Brobson does have a cut-your-own Christmas tree operation. From the front of his fields, you can look at where this firing range property would be. His customers already question when they hear a gun shot during hunting season, so a firing range would definitely impact his business. He said to summarize what Mr. Pratt said very well – there is a place for everything, but he is just not sure this is the place for that particular thing.

Mr. Brobson shared an email from the property owner who owned the property in Craig County that was home to a shooting range similar to this one. It read: "I hope the public hearing goes well for you. I would be concerned about the two most obvious issues – safety and noise. Noise was definitely an issue when there was a shooting range installed at our property by someone who leased the property for 'outdoor recreational rights.' Some neighbors complained of their pets urinating in the house as a result of the noise created from the firing of large caliber weapons. The rifles could be fired repeatedly all day long. Even though there were small efforts to reduce the decibel level, it really did not improve much. Along with the noise issues, comes safety. At our property the acquaintances of the tenant would continue shooting large caliber rifles while my adjacent neighbor would be attempting to work on his land that was in close proximity to the target. This was addressed several times, but was only corrected for short periods of time before they would continue their unsafe practices. For me, the safety of the neighbors was of utmost importance and made me realize I could no longer continue to allow the firing range on my property. Quite often I ride my bike through Clover Hollow and enjoy the peace and beauty of the community. It would be sad to see this gem of southwest Virginia have a barrage of gunfire rattle down the valley from dawn to dusk. It certainly would negatively affect the area for years to come. No doubt, the gunfire would be heard at Mountain Lake – not the best situation for a tourist destination. I wish you all the best."

David Brady: Mr. Brady stated he had lived in Clover Hollow for 25 years and was owner of Clover Hollow Christmas Trees with Mr. Brobson. The requirements in accordance with the Zoning Ordinance with the special exception is that it has to be consistent and compatible with surrounding uses – which he felt they would find in the evidence already presented and will be in the future that it probably is not the case. It has to meet the intent of the ordinance and has to meet the intent of the Comprehensive Plan, which has already been called into question. It has to comply with all other ordinances and laws of Giles County. Mr. Brady said that brought him to the issue of the special use ordinance. There are called out in the special exceptions a whole list of things that are permitted uses and he did not see a shooting range on the permitted uses because they have never faced this issue before. If they do consider approving this, the board needs to consider a whole bunch of issues more formally than simply by anecdotal evidence provided by a proponent of the shooting range.

Mr. Brady said the first one that came to mind was the quality of life from noise. Noise is pretty tricky in Clover Hollow. He can hear down to Goodwin's Ferry when the train goes by and he can hear gunfire when there is

hunting. If there is going to be gunfire that is going to be round-the-clock there will be issues of when will it stop and when will it start. The second issue is impact on property values. The board heard from one expert witness and they would be hearing from several more by the end of the evening on the potential impact on surrounding property owners. As Trevor told the board, there are up to 65 to 100 property owners that could end up being affected if noise becomes an issue. Mr. Brady said the third issue is traffic. He was unable to tell from the application where the entrance and exit would be. You cannot tell who is managing the property or when it will be open. They talk about safety standards that will be applied – a proponent of the proposal said it would be made to NRA safety standards. Unfortunately, there are no standards – only guidelines. It would be up to the county to determine what those standards area.

Mr. Brady said the potential impact on livestock, ricochet, and public safety issues are all concerns. He said an earlier speaker mentioned this would be certified and approved. Certified and approved by whom? He could not find who the certifying authority would be. It seems if they are going to do a first-time use then they should go back and make sure the county is the one who would be determining what the standards are. Mr. Brady said he looked forward to the board deliberating on the matter in the future.

J. Barry Link: Mr. Link said his mother owned the property under discussion and he was raised in Giles County. He moved away several years but was back now. A lot of people are talking about how they love Clover Hollow. He is among that number. He did not want to do anything to take away from it. Mr. Link said he had a passion for shooting. His family shot and hunted and was taught gun safety from an early age. There are basically three areas they want to get into with this. First is for people who shoot for recreation. It would not be a wide-open range. The people coming would be screened and approved. No unsafe behavior would be tolerated. He also had a passion to help people who want to be able to shoot to do so safely. Gun sales in the country are sky-rocketing and people who are scared and concerned. People are buying guns who probably shouldn't have them. They want to have a quality place to help these folks learn to use them safely. Last, Mr. Link said some of the local law enforcement people said they are having trouble coming up with a good place to train. People who lay their life on the line should have adequate facilities in close proximity and they would be willing to work with local law enforcement.

Mr. Link said safety is their main concern. He wants to be a good neighbor. He said to eliminate any possibility of ricochet they would install what is called baffles. These are like a shed roof and before a bullet could leave the property and go over the horizon, it would have to go through the roof and retard the flight of the bullet. As far as noise, he would not say you cannot hear gunfire. During hunting season you hear it all up the hollow. This is a rural area and hunting is allowed. Gunfire is a little bit of something that they have to tolerate. Mr. Link said he wanted to be a good neighbor. He has this passion and would let the board deliberate on that.

David Hodsden: Mr. Hodsden said he was a resident of Newport who lived on the hill looking right at this. He hasn't heard much over the last year or so but about a week ago a friend/neighbor started telling him about this and about the meeting tonight. There was a lot of information coming out about militia and machine guns, and he wondered how they knew that. His neighbor did not know because someone else told them. Mr. Hodsden asked if he had talked to the folks and they had not. So, he decided that he would. At the time the thought was that a local gun shop was leading this charge. The owner said that was not true. It was local folks who were putting this together. Mr. Hodsden met the fellow who was going to manage the range and was given a tour and shown how they were going to do it. It was a fairly impressive tour. Mr. Hodsden said he too was a Clover Hollow resident and have some of the same concerns expressed here. His suggestion was perhaps they could go take the tour and could reason more than with just what is being said. It did open his eyes a little bit. These are very affable people and easy to talk to. It might be helpful.

Alan Pratt: Mr. Pratt said all these people that think noise and safety issues are not a problem should come to his house where there is already a gun range and stand and listen for a while. They should think of where those bullets are flying. This proposed one is much closer. Anyone can stand at his house and put a bullet into that area at any time. If they can put bullets that way – it goes both ways. The noise is unreal. He has been on the mountain trying to hunt and you can't hear anything because of the one they already have. It all comes down to someone is wanting the almighty dollar – it is all about money.

Craig Stallings: Mr. Stallings said he probably started this. If he sees a need for something, he wants to see it developed. He is no longer affiliated with Atlas Tactical in any way; that was sold and given to his children. Mr. Stallings said he worked in the gun shop about 18 months and saw a number of people bring a gun into the shop that they purchased and have a concealed carry permit and ask "what kind of ammo do I need" and "how do I load it." They need someone to train and show them how to use it. That happened weekly there. There is a need for this. The safety, bullet ricochets – there will be bullet traps to catch these that are designed by the NRA. Mr. Stallings said he has a book published by the NRA and in order to be certified they have to follow this and have a safety officer on every range if there is a live gun being fired. That person is responsible to make sure the gun is handled in a safe manner. They would have a range manager there to oversee the entire range. It will not be operated – as far as who controls when it starts – they have already committed to the county before any guns are fired under a club, the county will approve it. They have worked with John and let him have the range books that show how one needs to be built. There are not many people qualified to judge a range. Mr. Stallings did not think there was anyone in the county and that is the reason he brought Major Little in. Mr. Stallings said anyone present – for or against – could call him to see the range. He would be there tomorrow from 8 AM to 8 PM. Someone in the audience asked if he would be shooting guns so they could hear it. He said he would be glad to demonstrate that for them. He said this would be safe and supervised and they were in a safe position.

Susan Thompson: Ms. Thompson said she lived on Spruce Run about 19 years and loved looking over at the view in Clover Hollow. She is not against people buying or having guns, but she did not want to hear gunfire while sitting on her porch in the evening. She has children who like to ride bikes there. It is a nice, peaceful ride up Clover Hollow and she did not want to see this happen. She asked to keep her family, her children and pets safe.

Ava Howard: Ms. Howard said she was a very new property owner in Giles County – the old bank in Newport. The reason she invested here was because it is beautiful. She loved the Newport area and had ridden bikes through Clover Hollow many times. Ms. Howard is also an artist who enjoys and admires the scenery. If she has a choice between looking at a nice, pastoral field and a gun range, she would choose the field. She has also had occasion to go to Pandapas Pond with her dog and the Craig Creek shooting range is quite a ways from there but she hears the gunshots all the time. It truly did ruin the peace of that beautiful area. She would hate to see the same thing happen to one of the most beautiful areas she is familiar with around here.

Donna Neal: Ms. Neal said she represented Hawk's Ridge Farm that borders Marty Farrier's farm on Route 42. They are not Clover Hollow residents but they do hear the shooting range from Craig's Creek all day long. They were told it was many miles away from their farm – further than this proposed range. Ms. Neal said her son and whole family hunt; she has nothing against guns. She shoots and her family does. She is all for guns but not for the stray bullets and ricochet. They have horses and they are all over their farm. She did not want to see her son, nephews or anyone get shot. They walk in the woods a lot. She just did not feel this is the right place for this range.

Nancy Hadden: Ms. Hadden said she had questions and they have been answered. She stated her opposition and within recent months has heard more gunfire out in Giles County. She did not know the location of that, but has been aware someone has been out shooting high caliber or semi-automatic weapon. She wondered if it was coming from this firing range.

Butch Heilig: Mr. Heilig said he had lived in Clover Hollow for 10 years. He is a gun owner and has been shooting since he was a little boy. He is a hunter and his family is also. He is not opposed to guns, sports guns, collecting or anything of that sort. Mr. Heilig said one point in particular has not been brought up. Mr. Link indicated to Mr. Heilig that law enforcement in Giles County was in support of this because they have no other place to train. He has talked to people and that is not true. If law enforcement is in support of this, he asked if there is anyone representing Giles County law enforcement who could give their side of that. The other thing is if they are planning to turn Clover Hollow into commercial – it is RRA zone – quiet, residential. They have high-end livestock and a lot of folks with horses, cattle and other livestock. They should not risk that for something that will not really bring anything to Clover Hollow, to Giles County or the Eastern District except people coming in to increase traffic on narrow and dangerous road. Anyone living there will tell you coming around the blind curves is sort of taking your life in your hands. A lot of arguments have been made back and forth on the noise

and whether or not you can hear it. Mr. Heilig asked if anyone actually knew what the noise was going to be and have any studies been done. He felt just going on hearsay doesn't cut it. He lives at the other end of the hollow and can hear the train at Goodwin's Ferry as clear as day. To maintain he cannot hear that – he was not buying that. He would also like to point out that Mr. Link indicated to him the facility would be built to NRA standards. Mr. Heilig said he had not been able to find such a thing as NRA standards – there are guidelines but not a standard. They were talking about certified to train and he wondered what the qualifications of those people are, who are they getting training from, and who is certifying them. Mr. Heilig said he would like to know a lot more before they turn the switch on this thing.

Scott Geller: Mr. Geller said he loved Newport and had been there for 44 years. He has studied safety for 40 years. They are planning to build a safety hazard and building a noise hazard. He said he loved Newport and Clover Hollow and hoped the board would have empathy – that is a psychology word – it means 'see it from their side.' The people who want the guns do not live there. They are going to drive in, spend some money, earn some money and use their property. He said many people ride their bikes around that narrow road around Clover Hollow. They hear the hunters all over the valley so don't tell him they are going to hold the noise down. Mr. Geller said he ran a not-for-profit company called "Make a Difference". It tries to actively care for people. This is on 45 acres near where this is proposed. Companies come world-wide to stay there for retreats over the weekend and he did not want gunshots. The shot guns are enough. They teach leadership, actively caring, sustainability, and that is personal though. Mr. Geller said he saw a need for the board to have empathy for the people who live in the community. They love their community and don't want a safety hazard and more noise. They do not want the traffic. It is bad enough as it is with the narrow roads; they don't want more.

Mr. Williams said there was no doubt the biggest concern is noise. Mr. Gellar said there is a shooting range within two miles of where they want to do this. If they want to shoot, they can go to that one. Someone else noted there is a shooting range on Jones Lane.

There were no other comments from the Planning Commission or board members. Ms. Hobbs closed the public hearing and referred the matter back to the Planning Commission for a recommendation.

SPECIAL EXCEPTION REQUEST – PRIVATE SEASONAL CAMP OR RETREAT – DEBORAH WEBB, BUFFALO ANKLETS DRIVE – BIG STONY CREEK ROAD

Ms. Hobbs opened the public hearing. Mr. Ross said this special exception request was for a private seasonal camp or retreat on a parcel of land owned by Deborah Webb. It is located on Buffalo Anklets Drive off Big Stony Creek Road and is zoned A1. Ms. Webb said she would like to set a little house – built by the Amish – on 35 acres of land for her to use for hunting or set on the porch or whatever. Ms. Hobbs asked if Ms. Webb planned to live in it. Ms. Webb said when she sold her home and downsized, she may be in it for some time – that was very possible.

Mr. Ross said Ms. Webb does have a Health Department permit for septic and a well. Ms. Hobbs said she did not understand why this required a special exception. Mr. Ross said it was because the house is not constructed to standards of a single family dwelling. If it was a full-time residence, it would be different. Mr. Ross asked if Ms. Webb if it was to be a full-time residence. Ms. Webb said not permanently but she hoped sometime she may be in it for a period of time. This is 14' x 36' and so she probably would not be living in it permanently.

Mark Simmons: Mr. Simmons said the notice said Ms. Webb wants to make a seasonal retreat out of this place. His concern is the safety of the people who would be at the retreat and how she would protect them from getting on adjoining property and getting hurt. Mr. Simmons has cattle on the adjoining property and does a lot of brush-hogging and spraying. They hunt there and Ms. Webb said she wanted to use it as a hunting cabin which is fine. Ms. Webb said that is for her personally – not for anyone else. Mr. Simmons said he was here because it was his mom's property and his concern is that it would be used for a private seasonal camp retreat. Ms. Webb said that was issued wrong because she was going to use it for her for her private use. Mr. Simmons said he did not have an issue with that. Ms. Hobbs said it did not fit the category for a permanent residence so it is considered a camper – that is the only way to get it on the property. Mr. Chidester said it is just the terminology. Private Seasonal Camp or Retreat just means a structure or camper or some kind of camping facility on a piece of property. It is not talking about a retreat with 50 people coming through. Mr. Simmons said

that was all he wanted to make sure of. Someone else asked if Ms. Webb could rent it out for hunters or anyone on the weekends. Mr. Ross said invited guests and in the past they have placed conditions on it.

Debbie Richards: Ms. Richards said she lives right across from the building that is going up. When she moved up there about 6 years ago, no one lived up there. They took about \$3,000 of their own money to fix the road which was in bad shape. When Ms. Webb moved up there and then sold the property next to Ms. Richards – which they wanted to buy but did not get to. There have been homes moved in and Ms. Webb has a lot of grading done. They bring big equipment in and it is not state maintained. Ms. Richards said they are the only ones who work on the roads – only once has Ms. Webb put gravel on it. They don't care what is done with the building, but Ms. Webb messed up the road so just fix it. All they are asking is the new neighbors keep up the road too. Ms. Hobbs said she did not think there was construction involved in this request, but the road matter has nothing to do with this public hearing. They need to address that outside of this hearing.

There were no other comments from the board or Planning Commission. Ms. Hobbs closed the public hearing and referred the matter back to the Planning Commission for recommendation.

AMENDMENT TO ZONING ORDINANCE, SECTION 302 – PARKING

Mr. Ross said the Planning Commission would like to amend the ordinance. The sized of parking spaces has changed over the years and they would like to change from 10' x 20' to 9' x 18'. Most site plans indicate the smaller size and so they would have to apply for a variance or change the site plan. Ms. Hobbs said this is just making better use of the real estate. There were no comments from the public, board members, or Planning Commission. Ms. Hobbs closed the public hearing and referred this back to the Planning Commission for recommendation.

NATIONAL FOREST SERVICE – CINDY SCHIFFER

Ms. Schiffer said she wanted to thank the board and county for working with the Forest Service on the road situation in the county. They appreciated the board taking a stand to do cooperative work. Mr. Williams asked how they need to proceed with this. Mr. McKlarney said they are okay with the volunteer efforts. He and Ms. Schiffer plan to identify some areas and get a plan together in the near future. They will see which areas to work on first and organize some volunteer crews. Ms. Schiffer said the county and forest service would sign a "Challenge Cost Share" in which they are both bringing something to the table and have a stake in the outcome. Mr. Williams said the volunteers want to do something and are just waiting on instructions. Mr. McKlarney said it had to dry up before work could be done. Mr. Baker thanked Ms. Schiffer for allowing the county to do this. They could have just closed the roads and not given the county any say in it. As an avid hunter, Mr. Baker said he really appreciated it. Ms. Schiffer said they all have the same objective – keep as many roads open and in as good shape as they can for as long as they can. She hoped they could do more of it. Ms. Hobbs said she appreciated Ms. Schiffer and what she has done. The people she has to work for who will not give her money to take care of the property that they pay very little taxes on infuriate her though. They have a large amount of real estate and the county gets very little back from it. When the board heard they were closing the roads which would block the people in the county from even using that real estate, it gets under your skin. Ms. Schiffer said she totally understood.

Mr. Williams said someone from the Forest Service called and said they could dump some stone up at the state lot on Big Stony – he asked what they needed to do since it was locked up. Ms. Schiffer said she would get a key to Mr. McKlarney.

Mr. Williams said she just heard the shooting range deal. He asked if the Craig Creek range was open to anyone. Ms. Schiffer said it is open daylight to dusk every day except Monday. Mr. Chidester said no offense to the Forest Service but there is no control over who uses the range there and it can be a dangerous place. There is no one in charge with safety and there are people who don't have a clue how to handle a gun.

PEMBROKE WATER LINE

Board members reviewed a letter from the Town of Pembroke concerning the Rt. 460 Corridor transmission line through Pembroke. The town has declined to fund 15% of the project as previously requested. Ms. Hobbs said her thought is if the Town does not want to pay for it, don't do the project for them. Mr. Williams said Pembroke has basically offered to pay about 5% of the project. Mr. McCoy said he agreed with Mr. Belcher's recommendation – Pembroke should not have any liens on the right of ways or any beneficiary of the water. If the county builds it, it should belong to the county. Ms. Hobbs said they certainly are not going to give another water line away. Mr. McCoy agreed. Mr. Williams said it was a shame not to include the 4 or 5 connections Pembroke had and help the water pressure while they are doing it, but if they are not willing to pay their portion then that's the way it is. Ms. Hobbs said the county has tried to work out something on a payment plan with them. Mr. Williams said according to the contract they would not pay until the project was complete. Mr. Belcher said at the end of the first year it was in use they would pay 10%. After that the cost is based on the water that goes on east. Mr. Williams said the formula they have to pay is based on water usage. They have so much water loss now – it is approaching 20%. Mr. Williams has tried to relay to them to work on the water loss issues. Ms. Hobbs said the only way to respond is that the board cannot allow the connections with that amount of reimbursement from Pembroke. Mr. McCoy said the county has offered to help fix the water leaks and offered to take over operating their water system – that's about as helpful as you can be. They just don't seem to care. Ms. Hobbs asked if the board wished to respond to this letter that the county will proceed with the water line but Pembroke will not be allowed any connections unless they come forth with their portion. Mr. Williams said there is a problem because Pembroke has to use this line to feed customers at Horseshoe Bend and that area. Mr. McKlarney said the county has a contract. Ms. Hobbs said they will sell them that water. She asked if they could by-pass the current line in a fashion. Mr. McKlarney said no; it would have to pass through the county's system. Mr. Belcher said there could be a single line almost like it is today. It would be a new line with the existing stuff that would still supply them with pressure.

Mr. Belcher said when this all started, Hoges Chapel was going to be replaced as well. They will use the new pressure grade from this new tank, but in the mix of all this when the 75% grant went away, they got rid of replacing Hoges Chapel. They cannot use the extra 200 feet of elevation and over pressurize Hoges Chapel. They have to put a PRV vault where the entrance is to Wheatland ECOPark to cut the pressure down to what has always been supplied at Hoges Chapel. Mr. Belcher thought they could put a single line off the new line that would supply a hydraulic grade line that would go back to Horseshoe Bend. Mr. McKlarney said Pembroke would still have to make use of the county's tank. There is no way around it. Mr. Belcher said that was true but it would be a single-line; it would not be multiple points to benefit Smith Hollow, Mays Hollow and other places. Mr. McKlarney said at this point they need to say there is a contract in effect signed by the Town and they have to abide by it. Mr. Chidester agreed and said that is the point of having a contract.

Mr. Williams said he would like to see the county make one final offer. Mr. McKlarney said what this will lead into the what Mr. Belcher and Mr. Williams pointed out. Pembroke will just say they do not want to participate but want the county to continue selling water at the current rate. They just cannot do that. All the county can really do it revert back to the signed contract. The negotiations were an attempt to assist the town. Ms. Hobbs asked if the reply to the letter should be that this offer does not meet the terms of the contract. Mr. Williams said there is an agreement that the PSA approved the county selling water back to Pembroke. Mr. McCoy asked if this only involved water at Horseshoe and that area. Mr. Belcher said the part of the contract that is relevant to this discussion was Kow Kamp, Horseshoe, Castle Rock and Meadows subdivision. Ms. Hobbs asked if the response was the town would have to adhere to the contract. Mr. McKlarney said he thought they just send the offer and if that is not acceptable, then they will go with the contract. The contract said it would be based on the percentage of water going through the meter and right now that is 20%. Mr. Williams said that was not fair because of the water loss. In an effort to help them get the water loss under control, work with them at 10%. Mr. Belcher said the county, since the time this contract was signed, has drastically cut their water loss on the east end of the county in half – and the town has basically stayed the same. Pembroke could probably get theirs to 12-15% range but that is about as good as they could expect. Mr. Williams suggested they offer 10% of the project or they will revert to the original contract. Mr. McKlarney said he felt if they set down with Mr. Poteet and discuss this. The town needs this and the county needs the town to be involved. Mr. McCoy said it cannot be 5%. Mr. McKlarney agreed and said everyone agreed on 10% when they started in hopes they would address water leaks. Maybe they include language that requires them to address water loss. Mr. Williams said

they were supposed to have \$65,000 in escrow to pay for this project. The PSA requested the portion they paid in on the tank and they gave it to them. Ms. Hobbs said the biggest mistake the PSA made was buying space on existing water lines in the towns; they should have run new lines. Mr. Belcher said the money in the escrow account would last Pembroke for three years even if it was signed today. Mr. McCoy asked if the new tank was going at Wheatland. Mr. McKlarney said it was. At some point the Hoges Chapel tank will be torn down.

Mr. Williams asked the county attorney for his advice. Mr. Chidester said he did not have a problem enforcing the contract. The problem is going to be if the judge orders them to pay it but there is no money in the town. Mr. McKlarney said if the board is willing to go with 10%, he suggested they send a letter stating the contract says 10% the first year and the county is offering 10% for 3 years, and make them aware this is the final offer. Mr. Williams said it was shame not to put the connections in while they are working there.

Mr. Williams moved to send a letter to the Town of Pembroke extending an offer of 10% of the annual debt service and operation/maintenance for the first 3 years and that this will be the final offer. Second by Mr. McCoy.

Discuss: Mr. McCoy asked if the town council knew how much more this will cost if they go with the contract. Mr. Williams said they are aware of the contract but are just saying they don't have the money. This is the contract amount for the first year and then offering that rate for two more years to give them a chance to get the water loss down.

Approved unanimously (5-0). Voting YES: Mr. Baker, Mr. McCoy, Ms. Hobbs, Mr. Williams, Mr. Dunn.

EGGLESTON WATER LINE

Mr. Williams said in the Master Water Plan the Eggleston line is next on the list. He has spent a few evenings in the Eggleston community (just to the bridge) taking surveys and he only needs about 4 or 5 more. Right now 75% want the water and he felt they could meet LMI guidelines on the project. Mr. McCoy asked if there is Health Department money for that. Mr. Williams has asked Mr. Belcher to check on that. He asked if they meet all the guidelines, would the board approve applying for the grant. Ms. Hobbs asked if he wanted an answer tonight. Mr. Williams said he was just updating the board on what he was doing. He said there are a lot of people across the bridge who wanted it, but he did not think they could get money to do that. Mr. McCoy asked if there were any funds left from the Walnut Road project. Mr. Belcher said it looked like there was about \$12,000 left. It can be put toward the next project. Mr. Belcher said there is also \$20,000 moved from Ripplemead that was left over from Powell Mountain. He also noted there were water samples in the packet he gave the board that showed what is in the water at Eggleston besides sulfur. Mr. Williams said he just wanted to board to be aware he was working on this.

No further business was introduced. Ms. Hobbs adjourned the meeting. The next meeting is scheduled for Wednesday, May 1, 2013, 3 PM in the General District Courtroom, 120 North Main Street, Pearisburg, Virginia.

APPROVED:

Chairperson

ATTEST:

Clerk