

Regular Meeting, Wednesday, December 14, 2016, 7:00 p.m. Government Center, Verona, VA.

PRESENT: Carolyn S. Bragg, Chairman
Tracy Pyles, Jr.-Vice Chairman
Gerald W. Garber
Wendell L. Coleman
Terry Lee Kelley, Jr.
Marshall W. Pattie
Timothy K. Fitzgerald, County Administrator
Jennifer M. Whetzel, Deputy County Administrator
John Wilkinson, Director of Community Development
James R. Benkahla, County Attorney
Melissa Meyerhoeffer, Finance Director
Angie Michael, Executive Secretary

ABSENT: Michael L. Shull

VIRGINIA: At a regular meeting of the Augusta County Board of Supervisors held on Wednesday, December 14, 2016, at 7:00 p.m., at the Government Center, Verona, Virginia, and in the 241th year of the Commonwealth....

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Chairman Bragg welcomed the citizens present.

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The following students from Stuarts Draft Middle School Civics and Economics class led us with the Pledge of Allegiance:

Jason Ledford is in the 8th grade and plans to try out for JV soccer.

Mark Gordon is in the 8th grade and likes to play sports. He plans to try out for JV tennis.

Mouaz Mahmood is in the 8th grade and likes technology.

Hayya Mahmood is in the 8th grade and enjoys art.

Brooke Edwards is in the 8th grade and just completed a season of JV cheer.

Jay Helmick is in the 8th grade and played JV football.

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Tracy Pyles, Supervisor for the Pastures District, delivered the invocation.

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SEWER EASEMENT

This being the day and time advertised to consider a request to convey to the owner of tax map 82A-(1)-77 a ten foot lateral sewer easement over a portion of property owned by Augusta County, Virginia, tax map 82A-(1)-76, containing 0.318 acres, as shown on a plat entitled "Sanitary Lateral Easement Plat Over a Portion of the County of Augusta, Virginia," dated April 20, 2016 in the Riverheads Magisterial District.

Timothy Fitzgerald, County Administrator, stated that this easement is a result of the Greenville sewer project and the property that was purchased for future drainage

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SEWER EASEMENT (CON'T)

improvements. The adjacent property owner needs an easement to get to the clean out. The line is in place and is in operation. This will not affect the future drainage project on the property.

The Chairman declared the public hearing open.

There being no speakers, the Chairman declared the public hearing closed.

Mr. Pyles moved, seconded by Mr. Garber, that the Board approve the request to convey to the owner a ten foot lateral sewer easement.

Vote was as follows: Yeas: Garber, Coleman, Kelley, Bragg and Pattie, Pyles
Nays: None
Absent: Shull

Motion carried.

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BUFFALO GAP PROPERTY

This being the day and time advertised to consider the sale or rental of property owned by Augusta County, Virginia, tax map 43-27C containing 30.211 acres in the Pastures Magisterial District.

Timothy Fitzgerald, County Administrator, showed a map of the property and stated that this was property given to Augusta County by the Augusta County School Board. The property is currently for sale, but is open to be rented until the property is sold.

The Chairman declared the public hearing open.

There being no speakers, the Chairman declared the public hearing closed.

Mr. Pyles moved, seconded by Mr. Coleman, that the Board approve the sale or rental of the Buffalo Gap property until it is sold.

Vote was as follows: Yeas: Garber, Coleman, Kelley, Bragg and Pattie, Pyles
Nays: None
Absent: Shull

Motion carried.

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MATTERS TO BE PRESENTED BY THE PUBLIC - NONE

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PB MARES-AUDIT

The Board considered the following:

- 1) Presentation of the 2016 Augusta County Comprehensive Annual Financial Report.

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PB MARES-AUDIT (CONT'D)

Melissa Meyerhoeffer, Director of Finance, stated that the County's annual financial audit for the fiscal year ending June 30, 2016 has been completed. Two representatives from PB Mares presented the audit report to the Board, Betsy Hedrick and Shannon Brown.

Ms. Hedrick, Partner with PB Mares, stated that an unmodified opinion has been issued on the County's Comprehensive Annual Financial Report for the fiscal year ending June 30, 2016. An unmodified opinion is the best opinion an auditor can issue. A Financial Statement was given to each Board member. Two other reports that were included in this report was the Internal Control over financial reporting which had one finding that pertained to Augusta County Schools related to a material audit adjustment and the other report is the audit of the County's major federal programs. This report had no findings. PB Mares met with the Audit Committee and went over the Comprehensive Annual Financial Report in detail. The Statement of Net Position is the difference between total assets and deferred outflows of resources and deferred inflows of resources. The County's total net position as of June 30, 2016 was approximately \$45.9 million. This is a very minimal decrease from the prior year. Ms. Hedrick pointed out various sections in the Financial Report. Copies of the Management Letter and the report to the Board of Supervisors was distributed. These provide certain professional items that PB Mares is required by standards to communicate.

Dr. Pattie asked that the ordinances be mentioned.

Ms. Hedrick stated that there are new Federal rules called the Uniform Guidance that is required to be followed as it pertains to all Federal grants. Uniform Guidance requires certain policies to make sure it addresses other requirements in the Federal law. The existing policies will need to be looked at to make sure they comply with the language of the new guidance. This information is listed in the management letter.

The Audit Committee will take a look at this and make sure everything is in order.

Dr. Pattie mentioned that next year the County will have to report other Personal Employment and Benefits Programs. Currently the County's liability is approximately \$4 million that will show on the report. There is a policy on the Board of Supervisors and the School Board that states if you are 55 years of age and have been employed for 10 years, the County will pay 75% of health insurance until the age of 65. According to the private market this seems to be out of line and this is a policy that should be reconsidered over the next year.

Ms. Hedrick stated that the reporting date for that liability is June 30, 2018. She expressed her appreciation to all departments for the courtesies and cooperation extended to PB Mares through the audit.

- 2) The audit contract extension for an additional one-year period.

Melissa Meyerhoeffer reminded the Board that they received a memo regarding the Financial Compliance Audit Contract with PB Mares. The current contract is for three fiscal years starting fiscal year 2014 and ending December 31, 2016. The contract allows for two additional terms of one year each. If the Board chooses, they may renew the current contract for the first additional term of one year for the fiscal year 2017 audit and extend the contract through December 31, 2017.

Dr. Pattie moved, seconded by Mr. Kelley, that the Board approve the audit contract extension for an additional one-year period with PB Mares.

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PB MARES-AUDIT (CONT'D)

Mr. Pyles pointed out that it would be smart to do this. It has been made public that there is a job posting for an important position in our financial department.

Vote was as follows: Yeas: Kelley, Bragg, Pyles, Pattie
 and Coleman
 Nays: None
 Abstain: Garber
 Absent: Shull

Motion carried.

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VOTING EQUIPMENT

The Board considered the request for approval to purchase new voting equipment for Augusta County. This agenda item was previously tabled.

Mr. Garber moved, seconded by Mr. Pyles, that the Board approve to take this agenda item off the table.

Vote was as follows: Yeas: Garber, Coleman, Kelley, Bragg and
 Pattie, Pyles
 Nays: None
 Absent: Shull

Motion carried.

Cliff Garstang, Electoral Board, stated that a detailed report was given previously of the process in selecting new equipment and for the need of new equipment. The report included a review by the Electoral Board, Registrar Office staff and several of the Chief Officers of Election. Voting equipment from all Certified Vendors in Virginia were looked at and the choice was made based on that review. A new memorandum was given to highlight a few more points that needed to be made. Aging Direct Recording electronic voting equipment is an accident waiting to happen. Augusta County has voting equipment that is 12 years old and was designed in the 1990's. If these machines would fail at any point there is no recovery for the information. The public has lost confidence in this type of voting equipment. Numerous requests during this past election were made for paper ballots. There was fear of rigging taking place. Augusta County's equipment is not connected through the internet so it's not hackable, however it is very difficult to make the public understand that. If there had to be a recount in Augusta County it would be meaningless. There is no such thing as a recount when you have machines that produce only a piece of tape. The new machines being looked at have actual ballots that could be recounted in the case of a necessary recount or other question of the outcome. There are several consequences in delaying the purchase of new equipment. The vendor can't guarantee the same price past December 31, 2016, the option of two split payments will be off the table and there is also the issue of training. A June Primary is expected in June 2017 so if the purchase is made now there will be ample time to get the proper people trained.

Tom Long, Electoral Board, stated that the various types of equipment has been looked at for many years. It was a strong unanimous decision to move forward with Election Services Online and their equipment manufacturer is called Unison. The Electoral Board is comfortable with this equipment and that the needs of the voters will be met. Election Services Online hand delivers the machines and ballots. Most other vendors ship UPS.

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VOTING EQUIPMENT (CONT'D)

Their tech support is located in Winchester, VA and they have a strong presence on the I-81 corridor. Mr. Long spoke with Matt Earney from the company and they are willing to continue the offer of a split 50/50 payment. There is a 1.5% increase that is coming from the manufacturer for the next year. That would amount to \$2,630 on the anticipated equipment. If purchased by December 31, 2016 this price increase will not affect us and if ordered soon it would be in place by March which would allow adequate time to train everyone necessary.

Ruth Talmage, Electoral Board, had major concerns during the election in November. Intensive training is done by staff to learn the equipment so the public can be trained as well. If the new equipment can be in place by the June Primary the number of voters can be increased. We can have training session everywhere possible to train the voters.

Gary Chapman, Chief Officer at Fort Defiance, stated in the past November election there were major wait times. Mr. Chapman explained the process of voting at his precinct and voiced a concern about the time it takes with the old equipment. The new equipment will allow for the wait time to be shortened. Another concern is that in March there was an election and there was a power failure. The generator for the school does not cover the gymnasium. The battery backup in the PCU unit did not work so therefore no one could vote using the equipment. The current equipment is beginning to have issues that cause problems during elections.

Ms. Talmage commented on the folks taking a long time to vote. When the new equipment is being used the wait time will be cut drastically.

Carolyn Bragg verified about how the process is done with the new equipment using paper ballots

Dave Leatherwood, Chief Officer at Wilson, pointed out that we have a linear process now with one line to four voting machine. This process takes approximately three minutes per voter. The new equipment allows for the studying to be spent at booths and to actually cast the vote it takes approximately five seconds per voter.

Joe Bush, Chief Officer at Churchville Elementary School, stated that during a Primary election last year they had machines fail. Luckily the vote was recorded at the time of failure. When there is a curbside voter the machine is unplugged and taken to the vehicle. This creates an even longer wait time. The new equipment will eliminate that.

Carolyn Bragg asked for the cost to be reiterated.

Tom Long stated that the cost of the new voting equipment would be \$293,890.00. This includes 28 voting machines, ballot boxes, USB's, the firmware and a 1 year warranty. There would be 3 spare scanners that would not include the ballot bins and 27 OVI's, which are the ADA compliant machines. Shipping and handling, testing and training is included in the cost. Mr. Long reminded the Board that Election Services has agreed to half of the payment now and the second half, interest free, in the next budget year. Several places and times of training will be set up to inform the public on the new machines.

Mr. Pyles stated that he was on the Board twelve years ago when the current equipment was purchased. Due to issues with paper ballots, there was funding available from the State to help with the purchase of new equipment. The Electoral Board has never been told the County would not purchase new equipment. They did not ask for the new

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VOTING EQUIPMENT (CONT'D)

equipment for the November election. The Board stated at that time that they wanted to see how the November election went to see if any disturbances occurred that might cause the General Assembly to reconsider and help fund the new equipment.

Mr. Pyles moved, seconded by Mr. Garber, that the Board approve the purchase of new voting equipment for Augusta County.

Vote was as follows: Yeas: Garber, Kelley, Bragg, Pyles, Pattie
 and Coleman
 Nays: None
 Absent: Shull

Motion carried.

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MUTUAL AID EMERGENCY SERVICES AGREEMENT

The Board considered the Mutual Aid Agreement for Fire and EMS between Augusta County and Nelson County.

Carson Holloway, Augusta County Fire Chief, stated that Mutual Aid Agreements have been worked on for several years to be brought up-to-date. The Nelson County Mutual Aid Agreement has been recently updated and looked at by James Benkahla, County Attorney and is ready for approval.

Mr. Kelley moved, seconded by Mr. Pyles, that the Board approve Mutual Aid Emergency Services Agreement.

Vote was as follows: Yeas: Garber, Kelley, Bragg, Pyles, Pattie
 and Coleman
 Nays: None
 Absent: Shull

Motion carried.

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BROADBAND GRANT

The Board considered the grant application and local match for the DHCD construction grant.

Jennifer Whetzel, Deputy County Administrator, gave an update on the grant funding available through the State for construction ready projects. The public is showing interest in the broadband project and continues to fill out the survey. At the November Staff Briefing it was mentioned that there was a grant through the Department of Housing and Community Development. The guidelines were released November 18, 2016 and the deadline for submitting the grant application is December 21, 2016. The grant will fund up to 80% of the project. There is \$1 million available statewide and 2-3 projects will be awarded. An RFI was put out and one proposal has been received. When the RFI was put out there was concern as to whether the State was paying attention to the fact that there may be multiple providers in the area. This grant is competitive, it was up to the providers to present a project that was ready and it also asked for the multiple providers in an area. The State will

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BROADBAND GRANT (CONT'D)

disregard any application they feel is not suitable. There were two proposed projects brought forward. One being in the Middlebrook area for a tower site and fiber going to the site. The second was for Deerfield. Both projects are underserved areas for the County and several calls have been received concerning cell service in these areas. The tower sites would have fiber going to them and equipment would be on the towers for fixed wireless and cellular broadband services. The proposal would meet the minimum requirements by the State. The deadline for construction would be June 30, 2017. Ms. Whetzel showed a map of the County with the areas highlighted for the project.

Mr. Pyles asked about West Augusta and why it was not included in the project.

Ms. Whetzel stated that West Augusta has been dropped off as a tower site and was not included in the budget figures. When the budget figures came in, the percentage of the State/County match would have been higher with West Augusta included. The grant application requires a lot of documentation such as the areas mapped out, descriptions of the area and exactly where fiber would be, the current status of the internet services offered, any benefits to the community, project budget which would include breaking out the project by the local match and the project timeline and what would be the internet offerings and cost structuring if internet would be purchased after the project is complete. 60% of the project is being requested from the State. This number could change, but this is a competitive application. The official letter from the Board showing support for a local match would be included with the application and budget dollars would be finalized. If the grant is not awarded it could be decided at a later date to move forward with this project in a different capacity and have a different partnership between local funding and the vendor.

Ms. Bragg questioned whether this would be submitted as one or two projects.

Ms. Whetzel stated that it would be submitted as one project.

Dr. Pattie mentioned that it will provide the opportunity for fiber for 70 houses in the Middlebrook area and over 200 homes in the Deerfield area which currently has no cell phone service.

Dr. Pattie moved, seconded by Mr. Shull, that the Board approve submittal of the application for the DHCD Construction Grant.

Mr. Pyles is concerned about the West Augusta area. Deerfield and West Augusta go hand in hand. Mr. Pyles would like the motion to be amended that would allow Pastures infrastructure money to make the West Augusta tower work. It was advertised that West Augusta would be included and he would like to make that happen. He asks that the motion be to approve the \$128,400, but leave it open so that if the Pastures infrastructure funds can meet the additional needs it would be approved.

Dr. Pattie agrees to amend the motion. Long term there are a lot of areas in all districts that need broadband service and he feels it should be an initiative of Augusta County. It shouldn't be funded fully from infrastructure funds. It's a good way to fund, but each district has areas that's not covered and this is an Augusta County initiative. Dr. Pattie wants to get internet to all of Augusta County.

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DOMINION EASEMENT (CONT'D)

asking for authorization for the County Administrator to dedicate the additional easement to Dominion so that we can extinguish the existing easement.

Mr. Pyles moved, seconded by Mr. Kelley, that the Board approve the request for an additional easement in Mill Place Commerce Park and allow Staff to sign.

Vote was as follows: Yeas: Garber, Kelley, Bragg, Pyles, Pattie
 and Coleman
 Nays: None
 Absent: Shull

Motion carried.

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BUSINESS READY SITES PROGRAM PERFORMANCE AGREEMENT

The Board considered the Performance Agreement for the Business Ready Sites Program.

Amanda Glover stated that this performance agreement would allow the County to accept a \$5,000 grant from VEDP for the purpose of the Business Ready Sites Program. This is a grant that was applied for in order to complete a site characterization assessment for the Blue Mountain property in Weyers Cave. When the grant was awarded the Performance Agreement was received and reviewed by James Benkahla, County Attorney and also the proposal from Timmons which is a \$10,000 contract that would complete a site characterization for Blue Mountain property. With authorizing this the County is in the position to receive a \$5,000 grant to help offset the total cost. Approval is requested from the Board to authorize the County Administrator to execute the Performance Agreement and authorize the proposal provided by Timmons. It is believed that with the characterization in hand the County is best prepared for future infrastructure funding opportunities that may present themselves through Go Virginia or other programs.

Mr. Garber moved, seconded by Mr. Pyles, that the Board approve the Business Ready Sites Program Performance Agreement.

Vote was as follows: Yeas: Garber, Kelley, Bragg, Pyles, Pattie
 and Coleman
 Nays: None
 Absent: Shull

Motion carried.

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INTERSECTION OF ROUTE 42 AND ROUDABUSH LANE

The Board considered a request for installation of a mirror to improve sight distance.

Mr. Fitzgerald showed a map of the intersection on Route 42 North of Churchville. The intersection has sight distance problems. Dr. Pattie has worked with VDOT and they have agreed to allow for the installation of a mirror at this intersection. VDOT has agreed to install the mirror, but they are not in a position to purchase it. The citizens will be responsible for maintaining the mirror in the future.

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INTERSECTION OF ROUTE 42 AND ROUDABUSH LANE (CONT'D)

Dr. Pattie pointed out that there currently is not a school bus that travels that lane due to sight issues. The property owners will not allow an easement to improve sight distance so a mirror is the only option.

Dr. Pattie moved, seconded by Mr. Coleman, that the Board approve the request for installation of a mirror to improve sight distance with funding from the North River Infrastructure account not to exceed \$300.00.

Mr. Pyles stated that there are two mirrors in his district, but it needs to be clarified that one is purchased and if there is a need in the future it is the property owner's responsibility.

Funding Source: North River Infrastructure 4-70-80000-8013-50 \$300.00

Vote was as follows: Yeas: Garber, Kelley, Bragg, Pyles, Pattie and Coleman
Nays: None
Absent: Shull

Motion carried.

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VACO COMMITTEE NOMINATIONS

The Board considered the following nominations for VACO Committees:

Mr. Pyles moved, seconded by Mr. Kelley, that the Board appoint the following to the VACO Committees for 2017.

- a) Michael Shull Environmental & Agriculture
- b) Tracy Pyles, Jr. Education
- c) Carolyn Bragg Finance
- d) Marshall Pattie Administration of Government
- e) Terry Kelley Health & Human Services
- f) Gerald Garber Transportation
- g) Wendell Coleman Economic Development & Planning

Vote was as follows: Yeas: Garber, Kelley, Bragg, Pyles, Pattie and Coleman
Nays: None
Absent: Shull

Motion carried.

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WAIVERS— NONE

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December 14, 2016, at 7:00 p.m.

MATTERS TO BE PRESENTED BY STAFF

Timothy Fitzgerald, County Administrator discussed the following issues:

- 1) John Wilkinson, Director of Community Development showed a picture of the new road signs for Goose Creek Road that have been installed.
- 2) Mr. Shull asked Mr. Fitzgerald to wish everyone a Merry Christmas and thanked Staff for a job well done. Thanks to Ms. Bragg for her year as Chair.
- 3) VACO Legislative Day is February 2, 2017.
- 4) Teleconference call with Eldon James and Jane Woods to get updated. Based on the County’s proposal the Meals Tax issue will most likely not be addressed. School Composite Index Formula is a budget issue and unless there is a program that holds other localities harmless the votes most likely will not be there. The Legislators are hesitant to make any changes to the Proffer Bill because it hasn’t been in place long enough. The DMV is going to conduct a pilot program for the Fire and Rescue license plates issue. Once the program is finished in 2018 they know there will be legislation needed to make changes to the pilot program. COPN request was added to the list of issues. This is being monitored by Eldon James and Jane Woods. Beginning January 13, 2017 Mr. Fitzgerald and Ms. Whetzel have a standing appointment every other week for a teleconference with Eldon James and Jane Woods to talk about issues moving forward.
- 5) The Organizational meeting is scheduled for January 4, 2017 at 7:00 p.m. Do we want to change the time? Suggestion for 4:00 p.m. was made.
- 6) Ms. Whetzel gave an update on Hearthstone Dam. The plans are currently designed to the State spec. There is a Federal level that is looking at adding a chimney drain to the design. They also asked if the County could do local administration. The County has asked if we can take over the project at the State level, hire the inspectors that would have been hired and have them pay for them and move forward with the project. Mr. Fitzgerald and she spoke with Jane Woods about this and she is reaching out regarding flood control dam at the State level. Most likely additional funding would be approached in 2018.
- 7) Carson Holloway, Fire Chief, stated that the Fire-Rescue Grant Committee recommends approval a total of \$13,416.28 to be dispersed as follows:

Riverheads Volunteer Fire Department	\$2,736.38
Swoope Volunteer Fire Company	\$3,315.90
Dooms Volunteer Fire Company	\$7,364.00

Mr. Pyles moved, seconded by Mr. Kelley to approve the Fire-Rescue Grant Committee recommendations and fund the \$13,416.28.

Vote was as follows:

Yeas: Garber, Kelley, Bragg, Pyles, Pattie
and Coleman

Nays: None

Absent: Shull

Motion carried.

- 8) Financial Disclosures were handed out.
- 9) Mr. Fitzgerald and Amanda Glover attended the Augusta Home Builders Association Christmas gathering.
- 10) Thanks Melissa Meyerhoeffer for a job well done as Finance Director. She has accepted a position with the School Board Finance Department.

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December 14, 2016, at 7:00 p.m.

CLOSED SESSION

On motion of Mr. Pyles, seconded by Dr. Pattie, the Board went into closed session pursuant to:

(1) **the personnel exemption under Virginia Code § 2.2-3711(A) (1)**
[discussion, consideration or interviews of (a) prospective candidates for employment, or (b) assignment, appointment, promotion, performance, demotion, salaries, disciplining or resignation of specific employees]:

- a) Recycling Committee
- b) Library Board

(2) **the real property exemption under Virginia Code § 2.2-3711(A) (3)**
[discussion of the acquisition for a public purpose, or disposition, of real property]:

- a) Buffalo Gap Property
- b) Mill Place

(3) **the legal counsel exemption under Virginia Code § 2.2-3711(A) (7)**
[consultation with legal counsel and briefings by staff members or consultants pertaining to actual or probable litigation, and consultation with legal counsel regarding specific legal matters requiring the provision of legal advice by such counsel, as permitted under subsection (A) (7)]:

- a) Caterpillar, Inc.- C13 & C15-Engine Projects Liability Litigation

On motion of Mr. Coleman, seconded by Mr. Pyles, the Board came out of Closed Session.

Vote was as follows: Yeas: Garber, Kelley, Bragg, Pyles, Pattie and Coleman
 Nays: None
 Absent: Shull

Motion carried.

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The Chairman advised that each member is required to certify that to the best of their knowledge during the closed session only the following was discussed:

1. Public business matters lawfully exempted from statutory open meeting requirements, and
2. Only such public business matters identified in the motion to convene the executive session.

The Chairman asked if there is any Board member who cannot so certify.

