

AT A MEETING OF THE MIDDLESEX COUNTY BOARD OF SUPERVISORS
HELD ON TUESDAY, MARCH 16, 2004 IN THE BOARD ROOM OF THE
WOODWARD BUILDING, SALUDA, VIRGINIA:

Present: Lenora O. Weber, Saluda District
Wayne Jessie, Sr., Jamaica District
Fred S. Crittenden, Pinetop District
John D. Miller, Jr., Saluda District
Kenneth W. Williams, Pinetop District

Charles M. Culley, Jr., County Administrator
Michael T. Soberick, County Attorney

CALL TO ORDER

Mrs. Weber called the meeting to order at 7:30 P.M. Mr. Miller opened with a prayer and Mr. Culley led in the Pledge.

PUBLIC HEARING – REZONING APPLICATION 2004-01, JAMES WALDEN

Planning Director Matthew Higgins presented this application for rezoning, to rezone a 1.838 portion of Tax Map 40-80-B (total acreage 5.8) from Residential to Village Community to allow the applicant to establish a professional office with storage on the site. As Mr. Higgins explained, the entire parcel had been rezoned from Village Community to Residential in April 1995 to allow the applicant to apply for the keeping of horses beside his dwelling unit. A subsequent special exception application was approved for the applicant for the keeping of horses. This new application would reverse the previous rezoning for 1.838 acres of the parcel. The majority of the surrounding parcels are currently zoned VC, and surrounding land uses primarily consist of single-family dwellings and vacant land. As the applicant is the principal abutter on the majority of the sides of this property, this proposed use of the property, if screened properly, would be compatible with other existing land uses at this location. If the rezoning is approved, the applicant must also apply for site plan review, which will address screening, including a privacy fence because this would be a commercial use abutting a residential area. The application will not impact the number of horses the applicant currently has. The Planning Commission recommended approval as submitted.

Mrs. Weber opened the public hearing for comments. There being no comments, the public portion of the hearing was closed. The motion to approve the application for rezoning the 1.838 portion back to Village Community was made by Mr. Crittenden, seconded by Mr. Williams and carried unanimously. It was noted that Major Site Plan review, which will address screening, landscaping, parking and other site-specific issues, will be required prior to any new construction on the property.

Board members questioned the status of the 1995 Special Exception Application that required reapplication after a three-year period. Mr. Higgins commented that he would look to see if subsequent applications were made.

PUBLIC HEARING – ORDINANCE AMENDMENT APPLICATION #2004-01

Mr. Higgins explained that the proposed amendments are to amend the Middlesex County Zoning Ordinance by amending Article 4, Conservation District by establishing forestry as a permitted use, to establish that minor subdivisions may only be permitted by special exception, to establish a lot coverage requirement, to establish a minimum lot area and width, to establish minimum yard requirements and to establish limitations of subdivision. It was discovered that there were no restrictions in the Conservation District at an earlier meeting.

Mrs. Weber opened the hearing for comments. There being no comments, the public portion of the hearing was closed. The motion to adopt the amendments as proposed was made by Mr. Miller, seconded by Mr. Jessie and carried unanimously.

DISBURSEMENTS

The motion to approve disbursements dated March 16, 2004, was made by Mr. Crittenden, seconded by Mr. Jessie and carried unanimously. Checks numbered 47975 through 47993 totaling \$32,548.53 were disbursed as approved.

BOARD OF EQUALIZATION

Board members were advised that Pat Milby had declined to serve on the Board of Equalization and that Donald Rennie would now be unable to serve due to health issues. The motion to recommend Curtis Jones to fill a position along with Virginia Williams (previously recommended) was made by Mr. Miller, seconded by Mr. Crittenden and carried unanimously. Board members will consider another appointment at the April 6th meeting.

OTHER APPOINTMENTS

Planning Commission: It was noted that Seymour Scott has resigned from the Planning Commission. A replacement is needed for his term which expires June 30, 2005.

Airport Committee: The motion to appoint Mrs. Monica Sanders to the Airport Committee to replace Watson Felts was made by Mr. Jessie, seconded by Mr. Crittenden and carried unanimously. This is an at-large position that expires August 31, 2004.

OTHER BUSINESS

Animal Shelter: Mr. Culley advised the Board that he was working on the book of specifications for the new building. It was suggested that Harvey Morgan be asked to contact the State Veterinarian's Office to ask that no fines be charged to the County as the design is completed.

School Projects: Mr. Crittenden reported that he had met with Dr. Shores to visit the schools regarding repair projects. Mr. Crittenden reported that the roof at St. Clare Walker is worse than thought. Chris Hall, who works for a roofing company, is to come up with plans for what might be done at the School. Mr. Culley commented that representatives from Wiley & Wilson had pointed out attic ventilation and flashing issues as part of the problem.

The bleachers at the High School should be able to be fixed for \$500.00 or less.

Reassessment: Mr. W. D. Edwards requested that the Board have the time extended for appealing to the assessor, as he had just received his notice and had to file by March 18th. It was confirmed with the assessor that the deadline for contacting the assessor and discussing an appeal was March 26th.

Bond Ratification Resolution:

Mr. Culley explained that the refunding bond had been sold, with a 10 million dollar cap, including \$500,000.00 to be applied to the roof repair at St. Clare Walker and \$300,000.00 for the IDA. This equates to a savings of \$308,842 in today's dollars. The motion to approve the following resolution was made by Mr. Crittenden, seconded by Mr. Miller and carried unanimously:

RATIFICATION RESOLUTION OF THE BOARD OF SUPERVISORS OF MIDDLESEX COUNTY, VIRGINIA

WHEREAS, the Board of Supervisors of Middlesex County, Virginia (the "Board of Supervisors") adopted a resolution on February 17, 2004 (the "Approving Resolution") relating to the issuance by the Industrial Development Authority of Middlesex County, Virginia (the Authority) of its lease revenue and refunding bonds in an amount not to exceed \$9,400,000 (the "Series 2004 Bonds") to (a) refund a portion of the Authority's Lease Revenue Bonds (Middlesex County School Facilities Project) Series 1999 in the outstanding principal amount of \$7,610,000 maturing on August 15th of 2012 through 2026 (the "1999 Refunded Bonds") issued on November 17, 1999 to finance the construction of a new elementary school to replace two existing elementary schools which were in need of extensive renovation, updating and improvements and new classrooms and administrative offices and to make certain other upgrades and capital improvements at the Middlesex High School (collectively, the "School Projects") on real property ("Real Estate") owned by the Middlesex County School Board (the "School Board") located in Middlesex County, Virginia (the "County"); (b) finance capital improvements for the County and the School Board (the "New Projects"); (c) fund a debt service reserve fund for the Series 2004 Bonds; (d) provide for the payment of the issuance costs of the Series 2004 Bonds; and (e) re-lease School Projects and lease the New Projects to the County to accomplish certain purposes of the Virginia Industrial Development and Revenue Bond Act (the "Act"), and the Authority has agreed to do so; and

WHEREAS, the Series 2004 Bonds are to be issued in an amount now estimated not to exceed \$10,000,000 to fund the New Projects; and

WHEREAS, Morgan, Keegan & Company, Inc., (the “Underwriter”) is purchasing the Series 2004 Bonds on terms which are further described below and in the underlying Documents (as defined in the Approving Resolution) and the approval of the substantially final form of such Series 2004 Bonds and Documents are to be ratified by the Board of Supervisors;

BE IT RESOLVED BY BOARD OF SUPERVISORS OF MIDDLESEX COUNTY, VIRGINIA:

1. The issuance of the Series 2004 Bonds, in substantially final form as presented at this meeting with a final maturity of August 1, 2026, in the amounts and rates as set forth in the attached Exhibit A.
2. The Documents in substantially final form as presented at this meeting are hereby ratified, adopted and approved.
3. The Chairman or Vice Chairman of the Board of Supervisors and all other County officers are hereby authorized and directed to execute and deliver all documents and instruments related to or appropriate in connection with the issuance of the Bonds and the delivery of the Documents with such completions, omissions, insertions and changes as may be approved by the officer executing them, his or her execution to constitute conclusive evidence of his or her approval of any such completions, omissions, insertions and changes.
4. All other acts of the Chairman or Vice Chairman of the Board of Supervisors and other officers of the County that are in conformity with the purposes and intent of this resolution and in furtherance of the plan of financing, the issuance and sale of the Series 2004 Bonds, the delivery of the Documents and the acquisition, design, construction, renovation, expansion, equipping and furnishing of the School Projects, the New Projects and the refunding of the 1999 Refunded Bonds are hereby approved and ratified.
5. (a) The Board of Supervisors hereby declares, in accordance with U.S. Treasury Regulation Section 1.150-2, as amended from time to time, the County’s intent to reimburse itself with the proceeds of one or more tax exempt notes or bonds (“Bonds”) for certain expenditures (the “Expenditures”) with respect to the New Projects (including, but not limited to roof repairs at the Middle School and sewer facilities at the courthouse) made on and after a date which is no more than 60 days prior to the date hereof. The County reasonably expects on the date hereof that it will reimburse the Expenditures with the proceeds of the Bonds.

(b) Each Expenditure was and will be either (i) of a type properly chargeable to capital account under general federal income tax principles (determined in each case as of the date of the Expenditures), (ii) a cost of issuance with respect to the Bonds, (iii) a nonrecurring item that is not customarily payable from current revenues, or (iv) a grant to a party that is not related to or an agent of the Authority so long as such grant does not impose any obligation or condition (directly or indirectly) to repay any amount to or for the benefit of the Authority.

(c) The maximum principal amount of the Bonds expected to be issued for the New Projects is \$1,300,000.

(d) The County will make a reimbursement allocation, which is a written allocation by the County that evidences the County’s use of proceeds of the Bonds to reimburse an Expenditure, no later than 18 months after the later of the date on which the Expenditure is paid or the New Projects are placed in service or abandoned, but in no event more than three years after the date on which the Expenditure is paid. The Authority recognizes that exceptions are available for certain “preliminary expenditures,” costs of issuance, certain de minimis amounts, expenditures by “small issuers” (based on the year of issuance and not the year of expenditure) and expenditures for construction projects of at least 5 years.
6. This resolution shall take effect immediately.

ADOPTED: This 16th day of March, 2004.

Chairman

ATTEST

Clerk

CERTIFICATION OF ADOPTION OF RESOLUTION

The undersigned Clerk of the Board of Supervisors of the County of Middlesex, Virginia hereby certifies that the Ratification Resolution set forth above was duly adopted by the Board of Supervisors at a regularly scheduled open meeting held on March 16, 2004, by a majority of the members of the Board of Supervisors with the following votes:

Aye:

Lenora O. Weber
John D. Miller, Jr.
Kenneth W. Williams
Wayne H. Jessie, Sr.
Fred S. Crittenden

Nay:

None

Abstentions:

None

Signed this 17th day of March, 2004.

By: _____
Clerk, Board of Supervisors

EXHIBIT A

**INDUSTRIAL DEVELOPMENT AUTHORITY
OF MIDDLESEX COUNTY, VIRGINIA
\$9,995,000 Lease Revenue and Refunding Bonds, Series 2004**

MATURITIES, AMOUNTS, INTEREST RATES AND PRICES OR YIELDS

<u>YEAR</u>	<u>PRINCIPAL AMOUNT</u>	<u>INTEREST RATE</u>	<u>YIELD</u>
8/1/2004	\$205,000	2.50%	1.00%
8/1/2005	140,000	2.50	1.10
8/1/2006	140,000	2.50	1.30
8/1/2007	150,000	2.50	1.55
8/1/2008	150,000	2.50	1.90
8/1/2009	150,000	2.50	2.20
8/1/2010	155,000	2.50	2.45
8/1/2011	150,000	2.625	2.70
8/1/2012	545,000	3.00	3.00
8/1/2013	555,000	3.10	3.10
8/1/2014	570,000	3.25	3.25
8/1/2015	585,000	3.50	3.45
8/1/2016	590,000	3.50	3.55
8/1/2017	125,000	3.70	3.70
8/1/2018	155,000	3.80	3.80
8/1/2019	190,000	3.90	3.90
8/1/2020	685,000	4.00	4.00
8/1/2021	715,000	4.00	4.10
8/1/2022	740,000	4.125	4.20

\$3,300,000%Term Bond Due August 1, 2026@4.250% to yield 4.40%

State Budget: Board of Supervisors members endorsed Mr. Culley's proposed letter to be sent to representatives of the General Assembly regarding them not adopting a budget. According to Mr. Culley, if the County has to adopt a budget that covers the lack of State revenue, the local tax rate will increase by 66 cents. Mr. Culley has suggested cutting State programs, not just cutting the revenue that comes to localities.

CLOSED MEETING

The motion to convene in closed session to discuss matters relating to legal counsel, per Code of Virginia §2.1-3711.A7 was made by Mr. Miller, seconded by Mr. Williams and carried unanimously.

Upon reconvening in open session, the following motion was made by Mr. Crittenden, seconded by Mr. Jessie and carried unanimously:

- To the best of the members' knowledge only public business matters lawfully exempted from open meeting requirements under Code of Virginia §2.1-3711.A7 as identified in the motion by which the Closed Meeting convened were heard, discussed, or considered by the public body.

Action:

As a result of the Closed Session, there was no action taken.

BUDGET WORK SESSION

Mrs. Weber questioned if Board members wanted to have another budget work session. No decision was made because the State Budget has yet to be adopted.

ADJOURN

The motion to adjourn the meeting was made by Mr. Miller, seconded by Mr. Williams and carried unanimously.

Lenora O. Weber, Chair
Board of Supervisors