

Board of Supervisors - March 14, 2019 Regular Meeting

The Wise County Board of Supervisors met in a Regular Meeting on Thursday, March 14, 2019 @ 6:00 pm in the School Board Education Center located at 628 Lake Street in Wise. The following members were present:

Honorable Dana G. Kilgore – Chairman (By Phone)	<u>ABSENT</u>
Honorable Robert E. Robbins, Jr., Vice-Chairman	
Honorable J. H. Rivers	Honorable Fred Luntsford
Honorable John Schoolcraft	
Honorable Bobby Cassell	
Honorable Steve Bates	
Honorable Robert R. Adkins – members of said Board and	
Michael W. Hatfield- County Administrator	
Karen T. Mullins – County Attorney	
Annette Underwood – Executive Secretary	

PRAYER

Bob Adkins led in prayer.

MINUTES

A motion was made by Bob Adkins, seconded by John Schoolcraft, to approve the minutes of February 14, 2019 as presented. The motion was unanimously approved.

AGENDA

Supervisor Rivers asked that the 4th Quarter Appropriations be pulled from the consent agenda for discussion.

A motion was made by Bobby Cassell, seconded by Bob Adkins, to approve the agenda as presented with the 4th Quarter Appropriations being pulled from the consent agenda for discussion. The motion was unanimously approved.

ROAD AND HIGHWAYS

Supervisor Rivers noted that the entrance to the East Stone Gap Convenience Center is crumbling and needs attention.

IN RE: DAVENPORT AND COMPANY PRESENTATION

Dave Rose, representing Davenport and Company, addressed the Board with a Comprehensive Financial Review and Initial budget FY 2020 considerations. He noted that the County has some tough decisions to make due to the decline in coal severance, and construction project debt.

The unexpected loss of coal severance revenues has had a significant impact on the County's overall financial sustainability. Coal severance has declined from about \$13.8 in 2009 to about \$1.7M in 2018.

The consolidation debt of county high schools cost \$4.34M in the current fiscal year, but the annual cost will rise to a high of \$6.23M in fiscal 2022-23. A need for \$10M for additional County projects has also been identified.

Paying the combined debt for the school projects and other county projects would require a 9 cent real estate tax increase. However, the County is fortunate to have a strong credit rating. The County may consider restructuring the school consolidation debt that is now held under Virginia's Literary Loan Program. Refinancing the school debt through another lender would lower the current debt in coming years, and reduce the County's short-term cash flow challenges. However, by going this route would add about \$2M to the debt over 20 years.

Mr. Rose noted that limiting a tax increase to 5 cents will require dipping into unassigned reserve funds.

Supervisor Rivers voiced his concern regarding a 5 cent tax increase. He noted that Davenport's analysis does not factor in potential future income from projects such as a proposed hydropower facility in the coalfields and a planned new industrial park between Norton and Wise.

PUBLIC EXPRESSION

Frank Kibler, LENOWISCO Senior Planner, addressed the Board regarding the Banner Sewer Project. He stated that a resolution in support of the CDBG application for the Banner Sewer Project is on the Board's agenda for consideration. He asked the Board to consider approving the resolution, which will allow the project to move forward.

Commonwealth Attorney Chuck Slemp addressed the Board with an update on the duties of his office and a review of court cases handled by his staff. He praised the Wise Works Program which has been a cost savings for Wise County as well as changing lives of many individuals that has been a part of this program. He stated that his office staff deserves better pay for the workload they carry. Pay raises have been few and far between.

Wise County has the largest prosecutor's office west of Roanoke, handling more than 30,000 cases last year. He asked the Board to consider the cost savings it gets from the Wise Works Program. The staff is under paid for the work they do. He asked the Board to consider increasing local funds in the 2019-2020 budget.

Harold Greear, a resident of Pound, voiced his opposition to a tax increase. He further noted his disapproval of the Property Maintenance Ordinance that was approved by the Board.

There being no further comments, the public expression period was closed.

IN RE: CONSENT AGENDA

A motion was made by Bob Adkins, seconded by John Schoolcraft, to approve the consent agenda as follows:

IN RE: PROCLAMATION

Approved the Proclamation Proclaiming March as Colon Cancer Awareness Month

IN RE: RESOLUTION STATE OF LOCAL EMERGENCY

Approved the resolution ratifying the Declaration of State of Local Emergency

RESOLUTION # -2019

(Said resolution is on file in the County Administrator's Office)

The motion to approve the consent agenda was unanimously approved.

IN RE: APPROPRIATIONS 4TH QUARTER

There was some discussion on changing the 4th quarter appropriations to monthly appropriations.

Supervisor Rivers questioned why this change was being considered.

Administrator Hatfield explained that this is for budget control at the end of the fiscal year to maintain a better cash flow.

A motion was made by Bob Adkins, seconded by Bobby Cassell, to change the FY 2019 4th quarter appropriations to a monthly appropriation. The motion was unanimously approved.

IN RE: RESOLUTION BANNER SEWER PROJECT

A motion was made by Robby Robbins, seconded by John Schoolcraft, to approve the resolution in support of the CDBG Application for the Banner Sewer Project. The motion was unanimously approved.

Supervisor Rivers questioned the time of day the public hearing was held on this project. He felt this was not a good time for those that work and would like to attend to comment. He asked that in the future citizens be considered when scheduling these public hearings.

RESOLUTION # -2019

(Said resolution is on file in the County Administrator's Office)

IN RE: CONTRACT AGREEMENT URGENT NEED PROJECT

A motion was made by J. H. Rivers, seconded by Steve Bates, to authorize the County Administrator to execute Wise County's CDBG Contract Agreement for the Flood Urgent Need Project. The motion was unanimously approved.

IN RE: PROPERTY TAX RATE - REAL ESTATE

After discussing the upcoming property tax rate for FY 2019/2020, Robby Robbins made a motion to hold a public hearing on April 11, 2019 to receive citizens input on increasing the real estate tax rate by 7 cents to \$0.69 per \$100 assessed value. Bobby Cassell seconded the motion.

Supervisor Rivers asked that it be noted that he would not vote for a 7 cent tax increase.

Supervisor Robbins explained that this does not mean the tax rate will be increased by 7 cents. The actual rate will be decided once the Board has received public input on the proposed increase.

Supervisor Rivers felt that this was not fair for all citizens because only 2/3 of the citizens pay the real estate tax. There are many citizens exempt because they live in mobile homes.

Supervisor Cassell said he felt that mobile homes should have the same tax rate.

Aye- Robby Robbins
Bob Adkins
John Schoolcraft
Steve Bates
Bobby Cassell
Dana Kilgore

Abstain – J. H. Rivers

IN RE: PERSONAL PROPERTY TAX RATE

A motion was made by Steve Bates, seconded by John Schoolcraft, to hold a public hearing on April 11, 2019 @ 6:00 pm to receive citizens input on increasing the personal property tax rate by 7 cents to \$1.65 per \$100 assessed value. The motion was unanimously approved.

IN RE: MOBILE HOME TAX RATE

A motion was made by Steve Bates, seconded by Bobby Cassell, to hold a public hearing on April 11, 2019 @ 6:00 pm to receive citizens input on increasing the mobile home tax rate by 7 cents to \$0.69 per \$100 assessed value, and make no change to machinery & tools and merchant's capital . The motion was unanimously approved.

IN RE: PUBLIC SERVICE CORPORATIONS TAX RATE

A motion was made by John Schoolcraft, seconded by Steve Bates, to hold a public hearing on April 11, 2019 @ 6:00 pm to receive citizens input on increasing the public service corporations tax rate for real property by 7 cents to \$0.69 per \$100 assessed value and personal property by 7 cents to \$1.65 per \$100 assessed value . The motion was unanimously approved.

IN RE: BUDGET AMENDMENTS

A motion was made by Bob Adkins, seconded by John Schoolcraft, to approve budget amendments #28 and #29 as presented. The motion was unanimously approved.

IN RE: APPOINTMENT – REDEVELOPMENT & HOUSING AUTHORITY

A motion was made by J. H. Rivers, seconded by John Schoolcraft, to appoint Mary Beth Allen to the Redevelopment and Housing Authority for a term of four (4) years. The motion was unanimously approved.

IN RE: APPOINTMENT - SOCIAL SERVICES BOARD

A motion was made by Robby Robbins, seconded by Dana Kilgore, to table the appointment to the Social Services Board until the April meeting. The motion was unanimously approved.

IN RE: CLOSE SESSION

A motion was made by J. H. Rivers, seconded by John Schoolcraft, to go into close session as permitted by the Code of Virginia per the following Code Sections:

Section 2.2-3711(A)(6) Investing of public funds

(A)(7) Consultation with legal counsel
(A)(1) Personnel

The motion was unanimously approved.

Following close session, a motion was made by Bob Adkins, seconded by John Schoolcraft, to reconvene the regular meeting. The motion was unanimously approved.

IN RE: RESOLUTION CERTIFYING CLOSE SESSION

A motion was made by Bobby Cassell, seconded by J. H. Rivers, to approve the resolution certifying that only public business matters lawfully exempted from open meeting requirements as were identified in the motion convening the close meeting were discussed or heard by the Board of Supervisors. The motion was unanimously approved by roll call vote.

RESOLUTION # -2019

(Said resolution is on file in the County Administrator's Office)

BOARD COMMENTS

There were few comments from Board members.

Supervisor Rivers voiced his concern on maintenance of subdivision roads. He has received a complaint on the condition and lack of maintenance on the Arise Subdivision Road in BSG. No one seems to know who owns the road or who established the road. He asked the Administrative Staff to find out who owns this road. He suggested some type of policy or some means be put in place for maintenance on subdivision roads when needed.

ADJOURN

A motion was made by Bob Adkins, seconded by Steve Bates, to adjourn the meeting at 9:00 pm. The motion was unanimously approved.

ATTEST:

WISE COUNTY BOARD OF SUPERVISORS

Michael W. Hatfield, Clerk

Dana G. Kilgore, Chairman