

**BOARD OF SUPERVISORS
REGULAR MEETING
MAY 28, 2019**

At a regular meeting of the Board of Supervisors of Floyd County, Virginia, held on Tuesday, May 28, 2019 at 7:00 p.m. in the Board Room of the County Administration Building thereof;

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

Chairman Lauren Yoder called the meeting to order at 7:00 p.m. with the reading of the handicapping statement.

Agenda Item 2. – Opening Prayer.

The Opening Prayer was led by Supervisor Coleman.

Agenda Item 3. – Pledge of Allegiance.

Supervisor Boothe led in the Pledge of Allegiance.

Agenda Item 4. – Public Comment.

Chairman Yoder called for the Public Comment Period.

Ms. Becky Howell, Burks Fork District – I would like to thank you in advance for using your microphones so we can hear what is said. I also would like to say that I was very concerned when I saw the advertisement in the paper on Thursday before a holiday weekend requesting that people who were interested in being on the Subdivision Ordinance committee submit their letters of request by 2:00 p.m. Friday, the next day. I don't think that really gives very much time for very many people to become aware of what's going on and get their information in. Thank you.

Mr. Bob Smith, Indian Valley District – Good evening everyone. Once again I would like to request in the interest of open government that the Board act on the offer from the Citizens Telephone Company to record the proceedings of the meetings so they can be viewed at a later date or at some point by the people of the County. Also wanted to concur with Ms. Howell that I think a board that is going to be considering stuff that's going to be affecting the County for the next 20 years should have more than 20 hours for people to sign up and express their interest. I would like to see the period extended for at least a week or preferably two because I am sure there are a lot of qualified people in Floyd County who would be interested in serving on this committee. Thank you.

Hearing no further comments from the audience, the Chairman declared the Public Comment Period closed.

Agenda Item 5. – Approval of month-end disbursements.

Questions and discussion followed.

On a motion of Supervisor Turman, seconded by Supervisor Boothe, and unanimously carried, it was resolved to approve the month-end and additional disbursements as presented.

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

Agenda Item 7.a. – Consideration of Memorandum of Understanding between The New River Health District and Floyd County Public Schools and Floyd County.

Supervisor Kuchenbuch posed the question as to how many school buses the school system has because only 20 buses are being made available per this agreement.

Supervisor Boothe asked what kind of responsibilities Floyd County has to pay costs because of the word “or” in the fourth bullet under Responsibilities in the Memorandum of Understanding between The New River Health District and Floyd County Public Schools and Floyd County.

Ms. Morris replied that she and the Emergency Operations Coordinator had reviewed the Emergency Operations plan and that plan had the same wording used in this agreement.

Supervisor Boothe said then we need to approve this agreement but when we conduct our next annual review of the Emergency Operations Plan we need to ask Mr. Durbin to look at this wording and find out Floyd County’s responsibility for costs. Supervisor Boothe also asked for more detail on what it takes to operate a mass vaccination/treatment clinic and if the School Board could make more buses available if it were necessary.

Supervisor Kuchenbuch concurred that she would like to know the number of school buses.

On a motion of Supervisor Boothe, seconded by Supervisor Coleman, and unanimously carried, it was resolved to authorize the County Administrator to execute the Memorandum of Understanding between The New River Health District and Floyd County Public Schools and Floyd County as presented (Document File Number 1047).

Supervisor Boothe – yes
Supervisor Kuchenbuch – yes
Supervisor Coleman – yes

Supervisor Turman – yes
Supervisor Yoder – yes

Agenda Item 6. – Mr. Griffin Moore, Davenport & Company.

Mr. Griffin Moore discussed the results of the requests for proposals for up to a \$3.5 million note to build a shell building at the Commerce Park and a strategic restructuring of existing debt to free up cash flow over the next 4 years by taking on a \$980,000 bond to refund the existing loan:

- 1) Of the two bids received, Skyline National Bank submitted the proposal with the lowest interest rate at 3.25% for 3.5 years for a \$3.5 million 2019 Note.
 - a. The interest rate would be fixed through final maturity and would allow the County to draw down funds as needed.
 - b. The County would be able to prepay the 2019 Note at any time with no penalty.
 - c. Security for the 2019 Note is the Moral Obligation of Floyd County and no other collateral is needed.
 - d. The actual interest rate is 3.25% compared to an estimated planning rate of 4.00% shown in the January presentation.
 - e. On a per year basis, Skyline’s proposal requires approximately \$26,000 a year less in interest costs than previously estimated for a \$3.5 million note amount.
 - f. The loan has been fully credit approved by Skyline National Bank’s Board and the interest rate is good until June 28.
- 2) Of the three bids Floyd County received for the \$980,000 refinancing, BB&T submitted the lowest interest rate at 2.89% fixed through final maturity of the loan in 10 years.
 - a. Floyd County has two prepayment options 1) either in whole only on any date with a 1% prepayment premium or no prepayment for the first half of the term and then prepayment of the principal balance in whole on any date without a prepayment premium.
 - b. Security for the Bond is the Moral Obligation of the County and any two of the County fire stations. The current loan is collateralized by the Courthouse, the Commerce Park, and the Indian Valley fire station. Skyline’s proposal of 3.75% does not require collateral.
 - c. The interest rate of 2.89% is less than the 3.75% interest rate shown in the January and April presentations.
 - d. The proposal will free up approximately \$581,000 in cash flow between FY20 and FY23 by paying off an existing loan with SunTrust which has an interest rate of 2.32% and stretching the payments between FY20 and FY29.
 - e. The refunding will minimize the budgetary impact of future projects proposed to be done in the short term, such as payments on the shell building and the upcoming phase 2 of the school construction project.
 - f. The loan has been fully credit approved by BB&T and the interest rate is good until July 2.

Chairman Yoder asked if the bids for the shell building construction came back too high and the Board wanted to pursue another economic development idea instead, could this loan be used for that?

Mr. Jesse Bausch, Bond Counsel with Sands Anderson – If there was some other project that you could realistically pursue we could include that, but typically if the use is changed to something else we would probably want to set it up so you would have to go back to the bank and get their consent to use the loan for that.

Agenda Item 8. – Closed Session – Real Property §2.2-3711 A.3., Prospective Business or Industry §2.2-3711 A.5; Consultation with Legal Counsel §2.2-3711 A.8.

On a motion of Supervisor Boothe, seconded by Supervisor Coleman, and unanimously carried, it was resolved to go into closed session under Section 2.2-3711, Paragraph A. 3., Discussion or consideration of the acquisition of real property for a public purpose, or of the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body; under Section 2.2-3711, Paragraph A. 5., Discussion concerning a prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities in the community; and under Section 2.2-3711, Paragraph A. 8., Consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel.

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

On a motion of Supervisor Coleman, seconded by Supervisor Kuchenbuch, and unanimously carried, it was resolved to come out of closed session.

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

On a motion of Supervisor Boothe, seconded by Supervisor Turman, and unanimously carried, it was resolved to adopt the following certification resolution:

**CERTIFICATION RESOLUTION
CLOSED MEETING**

WHEREAS, this Board convened in a closed meeting on this date pursuant to an affirmative recorded vote on the motion to close the meeting to discuss Real Property in accordance with Section 2.2-3711, Paragraph A.3.; Prospective Business or Industry Section 2.2-3711, Paragraph A.5., and Consultation with Legal Counsel Regarding Specific Legal Matters

Requiring Advice in accordance with Section 2.2-3711, Paragraph A.8. of the Virginia Freedom of Information Act;

WHEREAS, Section 2.2-3712 of the Code of Virginia requires a certification by the Board that such closed meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby certifies that, to the best of each member's knowledge (1) only public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act were heard, discussed or considered in the closed meeting to which this certification applies; and (2) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered in the meeting to which this certification applies.

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

This certification resolution was approved.

Agenda Item 7.b. – Agreement between Citizens Telephone Cooperative and Floyd County Regarding VATI Funding.

Ms. Lydeana Martin explained the agreement between Citizens Telephone Cooperative and Floyd County regarding VATI funding.

On a motion of Supervisor Kuchenbuch, seconded by Supervisor Boothe, and unanimously carried, it was resolved to authorize the County Administrator to execute the agreement between Citizens Telephone Cooperative and Floyd County regarding VATI funding as presented (Document File Number 1048).

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

Agenda Item 7.c. – Agreement between the Virginia Department of Housing and Community Development and Floyd County.

On a motion of Supervisor Boothe, seconded by Supervisor Coleman, and unanimously carried, it was resolved to authorize the County Administrator to execute the agreement between the Virginia Department of Housing and Community Development and Floyd County as presented (Document File Number 1049).

Supervisor Boothe – yes
Supervisor Kuchenbuch – yes
Supervisor Coleman – yes

Supervisor Turman – yes
Supervisor Yoder – yes

Agenda Item 9. – Constitutional Officers’ Report.

There were no constitutional officers present.

Agenda Item 10. – Old/New Business.

Ms. Morris presented the results of the bid for the Floyd County Schools boiler and air conditioning bids.

On a motion of Supervisor Boothe, seconded by Supervisor Turman, and unanimously carried, it was resolved to proceed with the air conditioning at Floyd County Public Schools with the options recommended.

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

On a motion of Supervisor Turman, seconded by Supervisor Coleman, and unanimously carried, it was resolved to accept the bid of \$2.745 million submitted by Nor-Well Company for the boilers at Floyd County Schools and to authorize the County Administrator to execute the contract (Document File Number 1050).

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

Ms. Morris presented the Personnel Policy she had drafted and that had been reviewed by legal counsel at Sands Anderson to the Board of Supervisors for their review and consideration.

Supervisor Coleman asked if the County should set a limit on the proposed program cost and/or submit to voter referendum the proposed Phase 2 project at Floyd County Schools.

Discussion was held as to the total cost of the Phase 2 project at Floyd County Schools and the possibility of it being presented on a referendum.

Supervisor Coleman reported that the Planning Commission appointed Mr. Mark Sowers and Ms. Deborah Baum to the Subdivision Ordinance Subcommittee.

On a motion of Supervisor Boothe, seconded by Supervisor Turman, and unanimously carried, it was resolved to accept the bid of 3.25% from Skyline National Bank for a Note of up

to \$3.5 million for 3.5 years and to authorize the County Administrator to execute the paperwork (Document File Number 1051).

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


Chairman Yoder requested that the County Attorney review a request submitted by the Floyd County Humane Society and new State laws when signed by the Governor and to give his recommendation to the Board of Supervisors.

Agenda Item 11. – Adjournment.

On a motion of Supervisor Kuchenbuch, seconded by Supervisor Boothe, and carried, it was resolved to adjourn to Tuesday, June 4, 2019 at 7:00 p.m.



Terri W. Morris, County Administrator



Lauren D. Yoder, Chairman, Board of Supervisors

