

BOARD OF SUPERVISORS



TUESDAY, FEBRUARY 11, 2014
4:00 P.M.



AGENDA

Tuesday February 11, 2014
4:00 PM

4:00 CALL MEETING TO ORDER (Michael Carter, County Administrator)

CLOSED SESSION

Code of Virginia, Section 2.2-3711 – **A.1**; Discussion, consideration, or interviews of prospective candidates for employment and **A.3**; Discussion or consideration of the acquisition of real property for a public purpose and **A.5; Industrial/Business Prospects**; discussion concerning a business or industry considering expansion with no previous announcement being made, and **A.7 Legal**; discussion with legal counsel and staff pertaining to actual or probable litigation.

5:00 CALL MEETING TO OPEN SESSION

Invocation and Pledge of Allegiance

ADOPTION OF AGENDA

Adopt the agenda and the additional agenda as presented

MINUTES OF PREVIOUS MEETINGS (Pgs. 3-26)

Request adoption of the January 14, 2014 and January 23, 2014 minutes

FINANCIAL UPDATE

Charlie Atkins – Inform the Board of the County's financial status

PAYMENT OF INVOICES

Consideration of appropriations and accounts payable as listed on the additional agenda

5:15 CITIZENS TIME

NEW BUSINESS

- **GOF Agreement- Michael Carter, County Administrator (Pgs. 27-37)**
- **TROF Agreement, New Ridge LLC.- Michelle Clayton, County Attorney (Pgs. 38-48)**

- **Professional Services Term Agreements- Scott Simpson, Assistant County Administrator**

*Anderson & Associates
*CHA Consulting
*Draper Aden Associates
*ECS-Mid Atlantic
*The Lane Group

6:00 PM Hearing-Nuisance Complaints

Property Owner	Tax Map No.	Account No.	Location
Alfred M. Gullion Jr. c/o Wendy Felty	28A2-A-23	41289	221 Cove Street, Saltville
Leo J. & Minnie L. Weaver	28A2-A-39	57819	359 Lick Skillet Road, Saltville
Walter L. & Rosella M. Conklin	71F-A-32	107212	5432 Sugar Grove Hwy., Sugar Grove

- **Consideration of Nuisance Complaints from January 14, 2014 Mtg. (Pg. 49)**
- **Budget Committee Update (Pgs. 50-51)**

OLD BUSINESS

1. Collection of delinquent taxes. **(8-10-04)**
2. Nuisance complaint against a property owned by Joseph F. Ellis, Jr. – The Board voted to leave the matter on the Old Business agenda until the conclusion of a civil case is resolved. *(Civil case filed March 6, 2009)*. At that time, the nuisance issue will be revisited. Mr. Patton Graham (Mr. Ellis' Attorney) will update the Board on the civil case as it progresses. **(4-14-09)**
3. Financial Discussion. **(7-9-13)**
4. Mega-Site Project **(11-17-11)**

Supervisor Comment Time

Meeting reminders:

CONTINUED MEETING February 27, 2014 AT 7:00 P.M.

EVERGREEN SOIL AND WATER ANNUAL PRESENTATION TO BOARD-FRAMING UNLIMITED BY TRICIA @ 2PM ON TUESDAY, MARCH 11, 2014.

Extension Office employee, Andy Overbay gave the invocation and Human Resource Manager Lisa Richardson led the Pledge of Allegiance.

5:07:35 PM Pat Messer, Plant Manager with TRW was recognized by Michael Carter, County Administrator for all of the work TRW is doing in Smyth County. He was presented with the Enterprise Incentive for \$50,000.00 by Michael Carter. Mr. Messer spoke and gave his appreciation to the County, and explained the improvements TRW has made to date.

5:10:04 PM A motion was made by Saltville District Supervisor Roscoe D Call, seconded by North Fork District Supervisor Ron C Blevins to adopt the agenda and additional agenda as presented.

After consideration, the motion PASSED by the following vote:

AYES: Chilhowie District Supervisor Wade H. Blevins, Jr.,
Park District Supervisor M. Todd Dishner
Rye Valley District Supervisor Rick K. Blevins,
North Fork District Supervisor Ron C. Blevins,
Atkins District Supervisor J. Howard Burton,
Saltville District Supervisor Roscoe D. Call and
Royal Oak District Supervisor G. Blake Frazier

NAYS: None.

ABSTAINERS: None.

ABSENT: None.

5:11:11 PM Michael Carter, County Administrator opened the floor to discussion and nominations for the Election of Officers for the calendar year of 2014.

Saltville District Supervisor Roscoe D. Call made a motion to nominate Chilhowie District Supervisor Wade H. Blevins, Jr. as Chairman. The motion was seconded by Atkins District Supervisor J. Howard Burton. Saltville District Supervisor Roscoe D. Call made a motion to close the nominations, seconded by North Fork District Supervisor Ron C. Blevins.

After consideration, the motion PASSED by the following vote:

AYES: Chilhowie District Supervisor Wade H. Blevins, Jr.,
Park District Supervisor M. Todd Dishner,
Rye Valley District Supervisor Rick K. Blevins,
North Fork District Supervisor Ron C. Blevins,
Atkins District Supervisor J. Howard Burton,
Saltville District Supervisor Roscoe D. Call and
Royal Oak District Supervisor G Blake Frazier.

NAYS: None.

ABSTAINERS: None.

ABSENT: None.

Michael Carter, County Administrator called for a vote on Chilhowie District Supervisor Wade H. Blevins, Jr.'s nomination for Chairman.

After consideration, the motion PASSED by the following vote:

AYES: Park District Supervisor M. Todd Dishner,
Rye Valley District Supervisor Rick K. Blevins,
North Fork District Supervisor Ron C. Blevins,
Atkins District Supervisor J. Howard Burton,
Saltville District Supervisor Roscoe D. Call and
Royal Oak District Supervisor G. Blake Frazier.

NAYS: None.

ABSTAINERS: Chilhowie District Supervisor Wade H. Blevins.

ABSENT: None.

5:11:24 PM Chairman, Chilhowie District Supervisor Wade H. Blevins, Jr. thanked the Board for electing him to serve another year as Chairman.

5:12:30 PM Chairman, Chilhowie District Supervisor Wade H. Blevins, Jr. opened the floor for nominations of Vice Chairman for calendar year 2014. Saltville District Supervisor Roscoe D. Call nominated Park District Supervisor M. Todd Dishner as Vice Chairman. The motion was seconded by Rye Valley District Supervisor Rick K. Blevins. Saltville District Supervisor Roscoe D. Call made a motion to close the nominations for Vice Chairman. The motion was seconded by Atkins District Supervisor J. Howard Burton.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Chilhowie District Supervisor Wade H. Blevins, Jr.,
Rye Valley District Supervisor Rick K. Blevins,
North Fork District Supervisor Ron C. Blevins,
Atkins District Supervisor J. Howard Burton,
Saltville District Supervisor Roscoe D. Call and
Royal Oak District Supervisor G. Blake Frazier.

NAYS: None.

ABSTAINERS: Park District Supervisor M. Todd Dishner

ABSENT: None.

5:13:11 PM Chairman, Chilhowie District Supervisor Wade H. Blevins, Jr. called for a vote on Park District Supervisor M. Todd Dishner's nomination for Vice Chairman.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Chilhowie District Supervisor Wade H. Blevins, Jr.,
Rye Valley District Supervisor Rick K. Blevins,
North Fork District Supervisor Ron C. Blevins,
Atkins District Supervisor J. Howard Burton,
Saltville District Supervisor Roscoe D. Call and
Royal Oak District Supervisor G. Blake Frazier.

NAYS: None.

ABSTAINERS: Park District Supervisor M. Todd Dishner.

ABSENT: None.

5:13:26 PM Chairman, Chilhowie District Supervisor Wade H. Blevins, Jr. opened the floor for nominations of Clerk for calendar year 2014. Saltville District Supervisor Roscoe D. Call nominated Michael Carter for Clerk. The motion was seconded by North Fork District Supervisor Ron C. Blevins. Vice Chair, Park District Supervisor M. Todd Dishner made a motion to close the nominations and Saltville District Supervisor Roscoe D. Call seconded the motion.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Chilhowie District Supervisor Wade H. Blevins, Jr.,
Vice Chair, Park District Supervisor M. Todd Dishner,
Rye Valley District Supervisor Rick K. Blevins,
North Fork District Supervisor Ron C. Blevins,
Atkins District Supervisor J. Howard Burton,
Saltville District Supervisor Roscoe D. Call and
Royal Oak District Supervisor G. Blake Frazier.

NAYS: None.

ABSTAINERS: None.

ABSENT: None.

5:14:01 PM Chairman, Chilhowie District Supervisor Wade H. Blevins, Jr. called for a vote on Michael Carter's nomination for Clerk.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Chilhowie District Supervisor Wade H. Blevins, Jr.,
Vice Chair, Park District Supervisor M. Todd Dishner,
Rye Valley District Supervisor Rick K. Blevins,
North Fork District Supervisor Ron C. Blevins,
Atkins District Supervisor J. Howard Burton,
Saltville District Supervisor Roscoe D. Call and
Royal Oak District Supervisor G. Blake Frazier.

NAYS: None.

ABSTAINERS: None.

ABSENT: None.

5:14:09 PM Chairman, Chilhowie District Supervisor Wade H. Blevins, Jr. opened the floor for nominations of Deputy Clerk for calendar year 2014. Saltville District Supervisor Roscoe D. Call nominated Scott Simpson for Deputy Clerk. The motion was seconded by North Fork District Supervisor Ron C. Blevins. Rye Valley District Supervisor Rick K. Blevins made a motion to close the nominations and the motion was seconded by Vice Chair, Park District Supervisor M. Todd Dishner.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Chilhowie District Supervisor Wade H. Blevins, Jr.,

Vice Chair, Park District Supervisor M. Todd Dishner,
Rye Valley District Supervisor Rick K. Blevins,
North Fork District Supervisor Ron C. Blevins,
Atkins District Supervisor J. Howard Burton,
Saltville District Supervisor Roscoe D. Call and
Royal Oak District Supervisor G. Blake Frazier.

NAYS: None.

ABSTAINERS: None.

ABSENT: None.

5:14:37 PM Chairman, Chilhowie District Supervisor Wade H. Blevins, Jr. called for a vote on Scott Simpson's nomination for Deputy Clerk.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Chilhowie District Supervisor Wade H. Blevins, Jr.,
Vice Chair, Park District Supervisor M. Todd Dishner,
Rye Valley District Supervisor Rick K. Blevins,
North Fork District Supervisor Ron C. Blevins,
Atkins District Supervisor J. Howard Burton,
Saltville District Supervisor Roscoe D. Call and
Royal Oak District Supervisor G. Blake Frazier.

NAYS: None.

ABSTAINERS: None.

ABSENT: None.

5:15:05 PM Michael Carter, County Administrator asked the Board their desired meeting schedule for calendar year 2014 and suggested the meetings stays as scheduled on the 2nd Tuesday of each month, with the exception of November. November's meeting will be held on the Wednesday following the 2nd Tuesday, due to the VACO Conference. Saltville District Supervisor Roscoe D. Call made a motion to continue with the regular meeting schedule on the second Tuesday of each month with closed session beginning at 4:00 p.m. North Fork District Supervisor Ron C. Blevins seconded the motion.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Chilhowie District Supervisor Wade H. Blevins, Jr.,
Vice Chair, Park District Supervisor M. Todd Dishner,
Rye Valley District Supervisor Rick K. Blevins,
North Fork District Supervisor Ron C. Blevins,
Atkins District Supervisor J. Howard Burton,
Saltville District Supervisor Roscoe D. Call and
Royal Oak District Supervisor G. Blake Frazier.

NAYS: None.

ABSTAINERS: None.

ABSENT: None.

5:16:32 PM A motion was made by Saltville District Supervisor Roscoe D. Call to adopt the Board of Supervisors Rules of Procedures as amended January 10, 2012. North Fork District Supervisor Ron C. Blevins seconded the motion.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Chilhowie District Supervisor Wade H. Blevins, Jr.,
Vice Chair, Park District Supervisor M. Todd Dishner,
Rye Valley District Supervisor Rick K. Blevins,
North Fork District Supervisor Ron C. Blevins,
Atkins District Supervisor J. Howard Burton,
Saltville District Supervisor Roscoe D. Call and
Royal Oak District Supervisor G. Blake Frazier.

NAYS: None.

ABSTAINERS: None.

ABSENT: None.

A motion was made by North Fork District Supervisor Ron C. Blevins to adopt the 2014 state holiday schedule as approved by the Governor and amended throughout the year. The motion was seconded by Atkins District Supervisor J. Howard Burton.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Chilhowie District Supervisor Wade H. Blevins, Jr.,
Vice Chair, Park District Supervisor M. Todd Dishner,
Rye Valley District Supervisor Rick K. Blevins,
North Fork District Supervisor Ron C. Blevins,
Atkins District Supervisor J. Howard Burton,
Saltville District Supervisor Roscoe D. Call and
Royal Oak District Supervisor G. Blake Frazier.

NAYS: None.

ABSTAINERS: None.

ABSENT: None.

5:17:42 PM It was moved by North Fork District Supervisor Ron C. Blevins, seconded by Vice Chair, Park District Supervisor M. Todd Dishner, to approve the minutes of the December 10, 2013 and December 19, 2013 meetings.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Chilhowie District Supervisor Wade H. Blevins, Jr.,
Vice Chair, Park District Supervisor M. Todd Dishner,
Rye Valley District Supervisor Rick K. Blevins,
North Fork District Supervisor Ron C. Blevins,
Atkins District Supervisor J. Howard Burton,
Saltville District Supervisor Roscoe D. Call and

Royal Oak District Supervisor G. Blake Frazier.

NAYS: None.

ABSTAINERS: None.

ABSENT: None.

5:18:23 PM **Financial Status** – Mr. Charlie Atkins informed the Board, per the report from the Treasurer's Office, there were sufficient funds in the bank for the requested appropriations.

5:18:47 PM It was moved by Saltville District Supervisor Roscoe D. Call seconded by North Fork District Supervisor Ron C. Blevins to approve \$5,525,000.00 for the General Fund appropriation. The following is an explanation of the appropriations approved:

General County	\$ 1,240,000.00
Social Services (Jan. 15 – Jan. 31, 2014)	\$ 325,000.00
(Feb. 1 – Feb. 11, 2014)	\$ 60,000.00
Schools - Operating Fund	\$ 3,900,000.00

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Chilhowie District Supervisor Wade H. Blevins, Jr.,
Vice Chair, Park District Supervisor M. Todd Dishner,
Rye Valley District Supervisor Rick K. Blevins,
North Fork District Supervisor Ron C. Blevins,
Atkins District Supervisor J. Howard Burton,
Saltville District Supervisor Roscoe D. Call and
Royal Oak District Supervisor G. Blake Frazier.

NAYS: None.

ABSTAINERS: None.

ABSENT: None.

5:19:38 PM It was moved by Vice Chair, Park District Supervisor M. Todd Dishner seconded by Rye Valley District Supervisor Rick K. Blevins to approve \$1750.00 for the Animal Damage Fund.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Chilhowie District Supervisor Wade H. Blevins, Jr.,
Vice Chair, Park District Supervisor M. Todd Dishner,
Rye Valley District Supervisor Rick K. Blevins,
Atkins District Supervisor J. Howard Burton,
Saltville District Supervisor Roscoe D. Call and

Saltville District Supervisor Roscoe D. Call and
Royal Oak District Supervisor G. Blake Frazier.

NAYS: None.

ABSTAINERS: None.

ABSENT: None

5:21:32 PM It was moved by Saltville District Supervisor Roscoe D. Call, seconded by North Fork District Supervisor Ron C. Blevins to approve \$898,734.32 for the Accounts Payable listing.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Chilhowie District Supervisor Wade H. Blevins, Jr.,
Vice Chair, Park District Supervisor M. Todd Dishner,
Rye Valley District Supervisor Rick K. Blevins,
North Fork District Supervisor Ron C. Blevins,
Atkins District Supervisor J. Howard Burton,
Saltville District Supervisor Roscoe D. Call and
Royal Oak District Supervisor G. Blake Frazier.

NAYS: None.

ABSTAINERS: None.

5:21:55 PM Chairman Blevins opened citizens time. Daniel Collins, Smyth County 4-H Agent spoke. He handed out an update concerning the 4-H program to Board members. He thanked the Board all for the support of the program and the support of Linda Sturgill, Smyth County 4-H Program Assistant. He informed the Board about the current clubs in the program and additional clubs in the planning stages. Mr. Collins presented a resolution naming a new lodge "Smyth Lodge", and asked for the support of this from the Board.

RESOLUTION

WHEREAS the Southwest Virginia 4-H Educational Center has operated as a youth camping facility since 1960 serving over 10,000 youth per year.

WHEREAS the facility provides youth camping programs for 13 counties that include Bland, Buchanan, Carroll, Dickenson, Grayson, Lee, Russell, Scott, Smyth, Tazewell, Washington, Wise and Wythe.

WHEREAS Smyth County 4-H camps with over 200 participants per year for junior 4-H Camp that include campers, teen counselors, counselors-in-training, adult volunteers and extension staff.

WHEREAS the Southwest Virginia 4-H Educational Center Board of Directors found need to expand the facility to accommodate participants and user groups for the benefit of educational programming and facility usage.

WHEREAS the expansion of the facility seeks to reach the demand of local and out of area clientele that includes 4-H and non-4-H groups with the addition of the new lodge.

WHEREAS the citizens, volunteers, businesses, vested partners and boards of Smyth County have generously supported the effort in expansion.

Royal Oak District Supervisor Regina H. Davidson.

NAYS: North Fork District Supervisor Ron C. Blevins.

ABSTAINERS: None.

ABSENT: None.

5:19:54 PM It was moved by Saltville District Supervisor Roscoe D. Call seconded by Vice Chair, Park District Supervisor M. Todd Dishner to approve \$59,918.68 for the Courthouse Project appropriation.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Chilhowie District Supervisor Wade H. Blevins, Jr.,
Vice Chair, Park District Supervisor M. Todd Dishner,
Rye Valley District Supervisor Rick K. Blevins,
Atkins District Supervisor J. Howard Burton,
Saltville District Supervisor Roscoe D. Call and
Royal Oak District Supervisor Regina H. Davidson.

NAYS: North Fork District Supervisor Ron C. Blevins.

ABSTAINERS: None.

ABSENT: None.

5:20:17 PM It was moved by Vice Chair, Park District Supervisor M. Todd Dishner, seconded by Saltville District Supervisor Roscoe D. Call to approve \$49,093.40 for the Lick Skillet Housing Project.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Chilhowie District Supervisor Wade H. Blevins, Jr.,
Vice Chair, Park District Supervisor M. Todd Dishner,
Rye Valley District Supervisor Rick K. Blevins,
North Fork District Supervisor Ron C. Blevins,
Atkins District Supervisor J. Howard Burton,
Saltville District Supervisor Roscoe D. Call and
Royal Oak District Supervisor G. Blake Frazier.

NAYS: None.

ABSTAINERS: None.

ABSENT: None.

5:21:17 PM It was moved by Saltville District Supervisor Roscoe D. Call seconded by North Fork District Supervisor Ron C. Blevins to approve \$10,944.00 for the On-Site Wastewater Project.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Chilhowie District Supervisor Wade H. Blevins, Jr.,
Vice Chair, Park District Supervisor M. Todd Dishner,
Rye Valley District Supervisor Rick K. Blevins,
North Fork District Supervisor Ron C. Blevins,
Atkins District Supervisor J. Howard Burton,

THEREFORE, be it further recognized that the Smyth County Board of Supervisors support the new lodge be called "Smyth Lodge" for the purposes of naming in the honor of Smyth County. This honor includes all of the aforementioned entities for their support and continued support of the Southwest Virginia 4-H Educational Center. Saltville District Supervisor Roscoe D. Call made a motion to adopt the resolution in support of the naming of the lodge for the 4-H Program. North Fork District Supervisor Ron C. Blevins seconded the motion.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Chilhowie District Supervisor Wade H. Blevins, Jr.,
Vice Chair, Park District Supervisor M. Todd Dishner,
Rye Valley District Supervisor Rick K. Blevins,
North Fork District Supervisor Ron C. Blevins,
Atkins District Supervisor J. Howard Burton,
Saltville District Supervisor Roscoe D. Call and
Royal Oak District Supervisor G. Blake Frazier.

NAYS: None.

ABSTAINERS: None.

ABSENT: None

5:30:33 PM Chairman, Chilhowie District Supervisor Wade H. Blevins, Jr. closed citizens time.

5:30:45 PM Shannon Williams, 911 Coordinator presented the FY 2014 Aid to Localities. He requested for the Board to approve as listed below.

FY 2014 Aid to Localities

Smyth County has received \$56,592 dollars from the Department of Fire Programs Aid to Localities Allocation. This is an initial (90%) payment with the remainder coming sometime later in the year.

Aid to Localities (ATL) FY 2014 Allocations

Description	FY 2014 Estimated	Initial Payment (90%)
Smyth County	\$62,880	\$56,592
Town of Chilhowie	\$10,000	\$9,000
Town of Saltville	\$10,000	\$9,000
Town of Marion	\$16,766	\$15,090

* * Please note that the Town of Marion is listed for information purposes only. They receive more money from ATL than any other agency and are not included in the disbursement calculation.

Distribution Formula:

Smyth County: \$56,592
Town of Chilhowie: \$9,000
Town of Saltville: \$9,000
Total: \$74,592 divided by 6 Fire Depts = \$12,432

Staff recommend disbursement:

Atkins FD: \$12,432
Adwolfe FD: \$12,432
Nebo FD: \$12,432
Sugar Grove FD: \$12,432

Town of Chilhowie
\$12,432
<9,000>
Total: \$3,432

Town of Saltville
\$12,432
<9,000>
Total: \$3,432

North Fork District Supervisor Ron C. Blevins made a motion to approve the FY 2014 Aid to Localities as presented by Shannon Williams. Rye Valley District Supervisor Rick K. Blevins seconded the motion.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Chilhowie District Supervisor Wade H. Blevins, Jr.,
Vice Chair, Park District Supervisor M. Todd Dishner,
Rye Valley District Supervisor Rick K. Blevins,
North Fork District Supervisor Ron C. Blevins,
Atkins District Supervisor J. Howard Burton,
Saltville District Supervisor Roscoe D. Call and
Royal Oak District Supervisor G. Blake Frazier.

NAYS: None.

ABSTAINERS: None.

ABSENT: None

5:32:09 PM Dr. Mike Robinson presented the Revenue Sharing Project at Oak Point Elementary School, concerning a Round About at the school. Due to the revenue sharing, the monies are now available for putting in 2 turn lanes instead of the Round About. He is here to request, and to state that the School Board has the monies to do this project, as it was originally budgeted and would like the support of the Board. Ron Blevins questioned the use of red lights. Dr. Robinson states there are some issues with this due to the wooden bridge that connects Hall Subdivision. Saltville District Supervisor Roscoe D. Call asked if he felt this would be a win/win situation, and Mr. Robinson states he does feel like this is a good avenue to take. Atkins District Supervisor J. Howard Burton asked if there had been any accidents due to the flow of traffic as it stands now, and Mr. Robinson stated there have not been any. Dr. Robinson is asking for consideration of the Board to move on to the next phase. Saltville District

Supervisor Roscoe D. Call made a motion to move onto the next phase of the project, which includes estimates for the turn lanes being requested. Royal Oak District Supervisor G. Blake Frazier seconded the motion.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Chilhowie District Supervisor Wade H. Blevins, Jr.,
Vice Chair, Park District Supervisor M. Todd Dishner,
Rye Valley District Supervisor Rick K. Blevins,
North Fork District Supervisor Ron C. Blevins,
Atkins District Supervisor J. Howard Burton,
Saltville District Supervisor Roscoe D. Call and
Royal Oak District Supervisor G. Blake Frazier.

NAYS: None.

ABSTAINERS: None.

ABSENT: None

5:39:22 PM Dr. Robinson also discussed the water line break in the Chilhowie Elementary School, that was a result of the cold weather the county has experienced. During the cleanup of the damage, it was found that tiles contained asbestos. The School Board has contacted the insurance company and received approval from them for the cleanup, removal, and replacement of the tiles in the classrooms. He is thinking he may have to ask for a budget amendment, but will know more as the week goes by. There are 10 classrooms displaced right now. According to Dr. Robinson it should not be no more than 10 to 15 days before they are back in classroom.

5:41:27 PM Mr. Bill Garrison, Saltville Rescue Squad spoke to the Board about the current status of the Squad. He handed out packets to each Board Member of how the squad has been doing. Mr. Garrison also handed out information concerning the resignation of the president, Daisy Maloyed of the Saltville Rescue Squad. He assured the Board the squad is doing well and introduced the new president, Christopher Olinger. Mr. Olinger, who is a member of the Saltville community, looks forward to working with everyone to make Saltville Rescue Squad a success. Mr. Garrison discussed the information in the packet. He states they have worked hard to gain the trust of the citizens and community, along with the members and staff of the squad. They are now a learning facility, training students. He also has training scheduled for Hazmat and Meth labs for the members of the squad. Board of Directors for the squad has expanded into the community. Financial needs are always important, and they will take any help they can get. Mr. Garrison would like to be able to supply benefits of some sort for the volunteers on the squad. It is his pleasure to provide this information to Smyth County. He appreciates the Board's time. North Fork District Supervisor Ron C. Blevins asked if the top Management has turned over, and Mr. Garrison stated that it had changed. It is now a membership and no longer a dictatorship. Saltville District Supervisor Roscoe D. Call stated that the Squad has grown by leaps and bounds, and that he really appreciates everything they are doing.

5:58:26 PM Michael Carter, County Administrator presented the Planning Commission's recommendation for a special use permit by Seth and Brandi Heath.

Recommendation on Seth and Brandi Heath's application for a Special Use Permit to operate a Service Business: At approximately 7:29 p.m. Mr. Frazier made a motion, then amended it, to approve the Heath's application for a Special use Permit to operate a Service Business with the restriction that the Special Use Permit expire when VDOT's contract runs out for Tax Map Nos. 44-A-78, 44-A-78D, and 44-A-85A. Mr. Davidson seconded the motion and the following vote was recorded.

Ayes: 4 Davidson, Wassum, Sparks, Pugh, and Frazier
Absent: 2 Venable and Harris

5:59:52 PM North Fork District Supervisor Ron C. Blevins questioned why there was a stipulation to the agreement for VDOT, and the Heaths stated the contract they have for the business is primarily with VDOT. Saltville District Supervisor Roscoe D. Call made a motion to approve the Special Use Permit as recommended by the Planning Commission. North Fork District Supervisor Ron C. Blevins seconded the motion.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Chilhowie District Supervisor Wade H. Blevins, Jr.,
Vice Chair, Park District Supervisor M. Todd Dishner,
Rye Valley District Supervisor Rick K. Blevins,
North Fork District Supervisor Ron C. Blevins,
Atkins District Supervisor J. Howard Burton,
Saltville District Supervisor Roscoe D. Call and
Royal Oak District Supervisor G. Blake Frazier.

NAYS: None.

ABSTAINERS: None.

ABSENT: None

6:00:47 PM **Public Hearing – Nuisance Complaints** Chairman, Chilhowie District Supervisor Wade H. Blevins, Jr. opened the public hearing. Michael Carter, County Administrator read the following advertisement as published in the Smyth County News and Messenger:

PUBLIC HEARING BEFORE THE SMYTH COUNTY BOARD OF SUPERVISORS

The Smyth County Board of Supervisors will conduct a public hearing on Tuesday, - January 14, 2014 at 6:00 p.m. or soon thereafter, as may be heard, in the Smyth County Office Building, 121 Bagley Circle, Marion, Virginia, to consider the following nuisance complaints pursuant to §15.2-900 et. seq. of the Virginia Code, (1950), as amended and by authority of Smyth County Code, Article 3, Section 20. Sec. 20-66 requires publication in cases where the property owner is unknown or the county has been unable

to contact the owner. Those with an ownership interest in the properties below should appear at the hearing. If a property is declared a public nuisance, the property owner may be required to abate or raze the nuisance at his/her cost. If the County takes action to remove the nuisance, the cost will be charged to the owner and is a lien against the property ranking on parity with real estate taxes. Failure to pay any nuisance abatement charges may result in the property being sold for delinquent real estate taxes and nuisance abatement liens pursuant to §58.1-3965.

At this public hearing, subject to the rules of procedure of the Board of Supervisors of Smyth County, Virginia, any person may appear and state his/her views thereon. In compliance with the Americans with Disabilities Act, persons requiring special assistance to attend and participate in this hearing should contact Clegg Williams, ADA Coordinator, at (276)783-3298 x227, at least 48 hours prior to the hearing.

Property Owner	Tax Map No.	Account No.	Location
Mattie Lee Richardson	58-A-11	000115371	Crisp Road Marion
J.B. Hogston Estate	28A3-A-69	000086550	714 Allison Gap Road Saltville
Lois M. Miller	76-A-86A	117137	1639 St. Clair's Creek Road Chilhowie
Clarence R. Minton Estate	29-A-4	102016	Kent Street between 179 & 195, Saltville

Done by order of the Board of Supervisors
Michael L. Carter, County Administrator

Clegg Williams, Building and Zoning Administrator provided information concerning each case, including pictures of each property. Anna Bowman, citizen, spoke in regards to the first nuisance complaint listed for the property on Crisp Road, Marion. She informed the Board that it is infested with rats, which have made considerable damages in her home also. She has three small children, and the rodents are coming into her home from the run down property adjacent to her home. She would like to see something done, before all the rodents continue to damage her home beyond repair. Mr. Williams continued to explain the status of each property, informed when the last time taxes were paid on each, and read any letters that pertained to the properties that had been received by concerned citizens. No one else has come forward claiming ownership of these properties and a plan for them to be cleaned up. North Fork District Supervisor Ron C. Blevins questioned the procedure of taxes owed vs. when the county can sell property. Chairman, Chilhowie District Supervisor Wade H. Blevins, Jr. opened the floor for discussion. Atkins District Supervisor J. Howard Burton the questioned size of these properties and Mr. Williams responded by stating most are just lots, with the exception of Kent Street, and it's located in the middle of subdivision.

6:26:43 PM Chairman, Chilhowie District Supervisor Wade H. Blevins, Jr closed the public hearing.

6:27:30 PM A representative from Brown Edwards, Accounting Firm presented the Audit for the County for FY ending June 30, 2013. He went over a few items from the bound information presented to the Board and asked if anyone had any questions. No one chose to ask any questions.

6:30:30 PM Rye Valley District Supervisor Rick K. Blevins excused himself from the meeting.

6:39:28 PM Michael Carter, County Administrator informed the board that an appointment for Mt. Rogers Workforce Investment Area Consortium Board needed to be made. The general protocol for this is to appoint who ever has been appointed as chairman for the current year. North Fork District Supervisor Ron C. Blevins made a motion to appoint Wade H. Blevins, Jr. to serve on the Mt. Rogers Consortium Board. Atkins District Supervisor J. Howard Burton seconded the motion.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Chilhowie District Supervisor Wade H. Blevins, Jr.,
Vice Chair, Park District Supervisor M. Todd Dishner,
North Fork District Supervisor Ron C. Blevins,
Atkins District Supervisor J. Howard Burton,
Saltville District Supervisor Roscoe D. Call and
Royal Oak District Supervisor G. Blake Frazier.

NAYS: None.

ABSTAINERS: Chairman, Chilhowie District Supervisor Wade H. Blevins, Jr.

ABSENT: Rye Valley District Supervisor Rick K. Blevins

6:40:46 PM Michelle Clayton, County Attorney gave the Board an update concerning the Clarkcrest subdivision tax assessment. All citizens have paid in full for this and she is asking the board to release liens on these properties with a formal notice of satisfaction. The funds required to record all of these documents with the Clerk of the Circuit Court of Smyth County are \$615.00 and the appropriation of those funds will be requested at the continued meeting to be held on January 23, 2014. Saltville District Supervisor Roscoe D. Call made a motion to release the liens on properties. North Fork District Supervisor Ron C. Blevins seconded the motion.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Chilhowie District Supervisor Wade H. Blevins, Jr.,
Vice Chair, Park District Supervisor M. Todd Dishner,
North Fork District Supervisor Ron C. Blevins,
Atkins District Supervisor J. Howard Burton,
Saltville District Supervisor Roscoe D. Call and
Royal Oak District Supervisor G. Blake Frazier.

NAYS: None.

ABSTAINERS: None.

ABSENT: Rye Valley District Supervisor Rick K. Blevins

6:41:55 PM Michelle Clayton, County Attorney presented information to the Board requesting to transfer \$3000 to RL Williams on behalf of Sandra Whitely based on a court order related to a building code violation case the county handled. North Fork District Supervisor Ron C. Blevins made a motion to approve the transfer of the monies to RL Williams. Vice Chair, Park District Supervisor M. Todd Dishner seconded the motion.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Chilhowie District Supervisor Wade H. Blevins, Jr.,
Vice Chair, Park District Supervisor M. Todd Dishner,
North Fork District Supervisor Ron C. Blevins,
Atkins District Supervisor J. Howard Burton,
Saltville District Supervisor Roscoe D. Call and
Royal Oak District Supervisor G. Blake Frazier.

NAYS: None.

ABSTAINERS: None.

ABSENT: Rye Valley District Supervisor Rick K. Blevins

6:43:21 PM Michael Carter, County Administrator asked the Board to consider names for the Board of Equalization Members. These can be brought to the continued meeting to be held on January 23, 2014.

6:44:20 PM Michael Carter, County Administrator would like to acknowledge the Water and Sewer Department for their outstanding work during all of the cold weather.

6:45:21 PM Chairman, Chilhowie District Supervisor Wade H. Blevins, Jr. opened supervisor comment time. Saltville District Supervisor Roscoe D. Call congratulated all the Board members and looks forward to a productive year. Vice Chair, Park District Supervisor M. Todd Dishner thanked the Board for electing him to serve as Vice Chairman for another year. Atkins District Supervisor J. Howard Burton stated that he too appreciates all the hard work during the recent cold snap, and feels like we will all benefit from the vote for Wade Blevins as chair. Rye Valley District Supervisor Rick K. Blevins had to leave the meeting early, therefore was not present to report anything. North Fork District Supervisor Ron C. Blevins welcomed Blake Frazier as the newest member of the Board and thanked all for the hard work each was doing for the County. Royal Oak District Supervisor G. Blake Frazier thanked all for the warm welcome and looks forward to serving on the Board. Chairman, Chilhowie District Supervisor Wade H. Blevins, Jr. welcomed Blake Frazier and thanked all members for support as his position of Chairman of the Board.

6:45:25 PM. Atkins District Supervisor J. Howard Burton made a motion to continue the meeting until Thursday, January 23rd at 7:00 p.m. Saltville District Supervisor Roscoe D. Call seconded the motion.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Chilhowie District Supervisor Wade H. Blevins, Jr.,
Vice Chair, Park District Supervisor M. Todd Dishner,
North Fork District Supervisor Ron C. Blevins,
Atkins District Supervisor J. Howard Burton,
Saltville District Supervisor Roscoe D. Call and
Royal Oak District Supervisor G. Blake Frazier.

NAYS: None.

ABSTAINERS: None.

ABSENT: Rye Valley District Supervisor Rick K. Blevins

The Smyth County Board of Supervisors held a continued meeting at 7:00 p.m., **Thursday, January 23, 2014**. The location of the meeting was in the First Floor Board Room of the County Office Building, 121 Bagley Circle, Suite 100, Marion, Virginia.

PRESENT:

Chairman, Chilhowie District Supervisor Wade H Blevins, Jr.; Vice Chair, Park District Supervisor M. Todd Dishner; Rye Valley District Supervisor Rick K Blevins; North Fork District Supervisor Ron C Blevins; Atkins District Supervisor J. Howard Burton; Saltville District Supervisor Roscoe D Call; Royal Oak District Supervisor G. Blake Frazier (7)

ABSENT:

None (0)

STAFF:

County Administrator Michael Carter; Assistant County Administrator Scott Simpson; Director of Finance Charlie Atkins; County Attorney Michelle Clayton; Administrative Assistant Kelly Woods (5)

Public Hearing: At 7:00 p.m. Mr. Wade Blevins, Chairman of the Board of Supervisors, and Mr. Norman Sparks, Chairman of the Planning Commission, called the joint public hearing to order. Mr. Michael Carter read the advertisement as placed in the Smyth County News and Messenger as well as the rules of procedure during public hearings.

***BEFORE THE SMYTH COUNTY BOARD OF SUPERVISORS
AND
SMYTH COUNTY PLANNING COMMISSION***

The Smyth County Board of Supervisors and the Smyth County Planning Commission will conduct a joint public hearing on Thursday, January 23, 2014, at 7:00 P.M. or as soon after 7:00 P.M. as an application may be heard, in the Smyth County Office Building, 121 Bagley Circle, Marion, Virginia, to consider the following application(s) to the Zoning Ordinance of Smyth County, Virginia:

An application from Rebecca Michele Thomas for a Special Use Permit to establish a Childcare Center. The property is located at 733 Wet Springs Road in Chilhowie. It is identified as Tax Map Nos. 76-9-11 and 76-A-143A1 and is zoned Agricultural/Rural.

At this public hearing, subject to the rules of procedure of the Board of Supervisors and Planning Commission of Smyth County, Virginia, any person may appear and state his/her views thereon.

Copies of the application(s) along with their maps/drawings are on file in the Office of the County Administrator of Smyth County. Copies are also maintained by the County Zoning Administrator at the address given above, and may be viewed during regular business hours Monday through Friday.

In compliance with the Americans with Disabilities, persons requiring special assistance to attend and participate in this hearing should contact the Smyth County Building and Zoning Department at (276) 706-8315 at least 48 hours prior to the hearing.

Done by order of the Board of Supervisors and the Planning Commission.

Michael L. Carter, County Administrator
Norman K. Sparks, Chairman of the Planning
Commission

Commissioners Present: Chairman Norman Sparks, Graham Davidson, Charles Wassum, and Joel Pugh; **Absent:** Wayne Venable, L. V. "Pokey" Harris and Royal Oak District Representative (Vacancy)

Staff Present: County Administrator, Michael Carter, Assistant County Administrator, Scott Simpson; County Attorney Michelle Clayton, Clegg Williams, Becca Marean, Kelly Woods, Charlie Atkins. Approximately 4 citizens and Stephanie Porter-Nichols with the Smyth County News were present.

Rebecca Thomas — Application for Special Use Permit: Mr. Williams explained Rebecca Thomas' intention to seek a special use permit to establish a *Childcare Facility* at her residence located at 733 Wet Springs Road in Chilhowie. The property is further identified as Tax Map Nos. 76-9-11 and 76-A-143A1. Mr. Williams explained that Mrs. Thomas has operated a childcare facility for the past fifteen years (5 of which she has been licensed) but until recent procedural changes with the Department of Social Services she was unaware a Special Use Permit was required. With her application, she submitted the required owner's affidavit and paid the required fee. Notice of tonight's public hearing was advertised in the Smyth County News & Messenger on January 11 and 18. Additionally, a first class mailing was made to each of the applicant's adjoining property owners.

Ms. Thomas was present and informed the Board she has operated her childcare facility in her home for the past 15 years, 5 of which she has been licensed through DSS. She is licensed to keep up to 12 children. She currently has six during the day and gets two off the school bus in the afternoons. She stated she spoke with all of her neighbors and no one had anything negative to say.

No one else spoke on the application.

Chairman Blevins and Chairman Sparks closed the joint public hearing at 7:06 p.m. Chairman Norman Sparks recessed the Planning Commission.

Chairman Sparks reconvened the Commission at approximately 7:07 p.m. Mr. Sparks opened the floor to the Commission for comments or questions.

Recommendation on the request of Rebecca Thomas for a Special Use Permit: Mr. Davidson made a motion to recommend the Board approve Rebecca Thomas' application for a Special Use Permit to operate a Childcare Facility at 733 Wet Springs Road in Chilhowie (Tax Map Nos. 76-9-11 and 76-A-143A1. Mr. Pugh seconded the motion and the following vote was recorded.

Vote: 4 yays	Davidson, Wassum, Pugh, and Sparks
2 absent	Harris and Venable
1 vacancy	Royal Oak District

Adjournment: At approximately 7:08, Chairman Sparks adjourned the Planning Commission's meeting.

7:13:26 PM Chairman, Chilhowie District Supervisor Wade H Blevins, Jr. called meeting back to order.

7:13:36 PM Chairman, Chilhowie District Supervisor Wade H Blevins, Jr. opened citizens time. Carol Barnes, address 484 Phillippi Hollow Road, Atkins VA. addressed the Board per suggestion by Atkins District Supervisor J. Howard Burton to come to the meeting and give concerns. Mrs. Barnes and companion spoke to the Board concerning Asplundh Tree Service and the work they have been doing on their property. They feel as if Asplundh is not doing what they are supposed to per contract with AEP and is concerned they are just cutting the wood and selling it. Asplundh Tree Service has cut down several hardwood trees on her property that are not in the power lines, and have been cutting on her property without permission. Mrs. Barnes has placed several calls to AEP and has not received any calls back. Rye Valley District Supervisor Rick Blevins questioned how close the trees are to the lines and Mrs. Barnes stated they are not close to them at all. Michael Carter, County Administrator offered to contact AEP, so that he may help to get an understanding of this process for the citizens. Mrs. Barnes appreciates the Board listening to them and for any help they can give.

7:22:36 PM Chairman, Chilhowie District Supervisor Wade H Blevins, Jr. closed citizen's time.

7:22:40 PM It was moved by Vice Chair, Park District Supervisor M. Todd Dishner seconded by North Fork District Supervisor Ron C. Blevins to approve \$301,524.16 for the General Fund appropriation. The following is an explanation of the appropriations approved:

General County	\$253,344.36
Water and Sewer	\$48,179.80
Total General Fund:	\$301,524.16

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Chilhowie District Supervisor Wade H. Blevins, Jr.,
Vice Chair, Park District Supervisor M. Todd Dishner,
Rye Valley District Supervisor Rick K. Blevins,
North Fork District Supervisor Ron C. Blevins,
Atkins District Supervisor J. Howard Burton,
Saltville District Supervisor Roscoe D. Call and
Royal Oak District Supervisor G Blake Frazier.

NAYS: None.

ABSTAINERS: None.

ABSENT: None.

7:23:18 PM **Financial Status** – Mr. Charlie Atkins informed the Board, per the report from the Treasurer's Office, there were sufficient funds in the bank for the requested appropriations.

7:23:30 PM Michael Carter, County Administrator opened the floor for discussion of an appointment for Royal Oak District Planning Commission position G. Blake Frazier is vacating. Royal Oak District Supervisor G. Blake Frazier motioned to nominate Robbie Doyle for the vacancy on The Planning Commission seconded by Vice Chair, Park District Supervisor M. Todd Dishner. Mr. Frazier has spoken to Mr. Doyle concerning this nomination, and Mr. Doyle is willing to serve on the Planning Commission.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Chilhowie District Supervisor Wade H. Blevins, Jr.,
Vice Chair, Park District Supervisor M. Todd Dishner,
Rye Valley District Supervisor Rick K. Blevins,
North Fork District Supervisor Ron C. Blevins,
Atkins District Supervisor J. Howard Burton,
Saltville District Supervisor Roscoe D. Call and
Royal Oak District Supervisor G Blake Frazier.

NAYS: None.

ABSTAINERS: None.

ABSENT: None.

7:24:20 PM Michelle Clayton, County Attorney asked for appropriation and payment from Account 012040-5606 for filing fees and release of liens associated with Clarkcrest Subdivision. Saltville District Supervisor Roscoe D. Call made a motion to approve disbursement of \$615.00 from account 012040-5606, for filing fees associated with Clarkcrest Subdivision. North Fork District Supervisor Ron C. Blevins seconded the motion.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Chilhowie District Supervisor Wade H. Blevins, Jr.,
Vice Chair, Park District Supervisor M. Todd Dishner,
Rye Valley District Supervisor Rick K. Blevins,
North Fork District Supervisor Ron C. Blevins,
Atkins District Supervisor J. Howard Burton,
Saltville District Supervisor Roscoe D. Call and
Royal Oak District Supervisor G. Blake Frazier.

NAYS: None.

ABSTAINERS: None.

ABSENT: None.

7:25:28 PM Michael Carter, County Administrator requested names to be presented to Court System in regards to the Board of Equalization. In years past the Board had 5 members serving on it. Saltville District Supervisor Roscoe D. Call asked if any past members were willing to serve again and Michelle Clayton, County Attorney states the members previous are not interested in being members again. Royal Oak District Supervisor G. Blake Frazier stated that he could speak with Tom Copenhaver and Amanda Walters who were previous members on the Board. No one else had any suggestions as to new members.

7:31:18 PM Michael Carter, County Administrator opened the floor for nominations for members of the New River/Mt. Rogers Workforce Investment Area Consortium Board. A motion was made by North Fork District Supervisor Ron C. Blevins seconded by Saltville District Supervisor Roscoe D. Call to appoint J. Howard Burton as member to this board, with Blake Frazier serving as alternate under a (1) year term.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Chilhowie District Supervisor Wade H. Blevins, Jr.,
Vice Chair, Park District Supervisor M. Todd Dishner,
Rye Valley District Supervisor Rick K. Blevins,
North Fork District Supervisor Ron C. Blevins,
Atkins District Supervisor J. Howard Burton,
Saltville District Supervisor Roscoe D. Call and
Royal Oak District Supervisor G. Blake Frazier.

NAYS: None.

ABSTAINERS: None.

ABSENT: None

7:35:27 PM Michael Carter, County Administrator updated the Board in regards to VDOT. VDOT called Mr. Carter today concerning the bridge located at Brown's Subdivision. Due to an inspection the bridge was closed, and at this time there are no plans to repair and re-open the bridge. Mr. Carter has updated EMS, School Systems, and the Town of Marion concerning this. Royal Oak District Supervisor G. Blake Frazier asked if citizens' wanted to voice complaints, where can these be filed. Mr. Carter stated these can be filed in the County Office and he will filter these complaints to VDOT. It was suggested for signage to be placed further down road to alert driver's that the bridge is closed.

7:39:36 PM Michael Carter, County Administrator updated the Board on the GOF Agreement with New Ridge LLC, and stated the signatures have been obtained for the document. Mr. Carter stated the County should receive the funding in the next four (4) to six (6) weeks.

7:41:31 PM Scott Simpson, Assistant County Administrator gave the Board an update on the Mega-Site project. The project is a little behind schedule due to the cold weather the County has been experiencing. Contractors are continuing to grade the site and work on the flood plains. No specific industry has begun any work on the site. The Economic Development Authority will be installing a large sign over the next month or so to advertise the site to businesses.

7:43:55 PM There was nothing discussed under old business.

7:44:09 PM **Closed Session** – It was moved by Rye Valley District Supervisor Rick K. Blevins to enter into closed session under Code of Virginia, Section 2.2-3711 – **A.1**; Discussion, consideration, or interviews of prospective candidates for employment **Section 2.2-3711-A.5 Industrial/Business Prospects**, discussion concerning a business or industry considering expansion with no previous announcement being made. North Fork District Supervisor Ron C. Blevins seconded the motion.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Chilhowie District Supervisor Wade H. Blevins, Jr.,
Vice Chair, Park District Supervisor M. Todd Dishner,
Rye Valley District Supervisor Rick K. Blevins,
North Fork District Supervisor Ron C. Blevins,
Atkins District Supervisor J. Howard Burton,
Saltville District Supervisor Roscoe D. Call and
Royal Oak District Supervisor G. Blake Frazier.

NAYS: None.

ABSTAINERS: None.

ABSENT: None.

8:06:36 PM It was moved by North Fork District Supervisor Ron C. Blevins, seconded by Royal Oak District Supervisor G. Blake Frazier, to return to open session and adopt the following resolution certifying the business conducted in closed session as follows:

**RESOLUTION
CERTIFICATION OF CLOSED SESSION**

WHEREAS, the Smyth County Board of Supervisors has convened in a closed session on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

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

NOW, THEREFORE, BE IT RESOLVED that the Smyth County Board of Supervisors hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed session were heard, discussed or considered by the Smyth County Board of Supervisors.

8:08:25 PM Chairman, Chilhowie District Supervisor Wade H. Blevins, Jr. opened supervisor comment time. Blake Frazier, Royal Oak District Supervisor thanked all for the help he was being given. Mr. Frazier has received a call from citizen concerning a nuisance complaint. Ron Blevins, North Fork District Supervisor stated he met with Congressman Morgan Griffith today. Mr. Blevins requested for help from Congressman Griffith with Economic Development in the County. Ron Blevins and Congressman Griffith also discussed the Sugar Grove and Nebo area cell phone service. Rick Blevins, Rye Valley District Supervisor would like for the Sugar Grove cell phone issue to be brought to the attention of Delegate Campbell. Howard Burton, Atkins District Supervisor had no comment. Todd Dishner, Park District Supervisor had no comment. Roscoe Call, Saltville District Supervisor had no comment. Wade H. Blevins Jr., Chilhowie District Supervisor had no comment.

8:11:08 PM It was moved by Atkins District Supervisor J. Howard Burton, seconded by Rye Valley District Supervisor Rick K Blevins, to adjourn the meeting.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Chilhowie District Supervisor Wade H. Blevins, Jr.,
Vice Chair, Park District Supervisor M. Todd Dishner,
Rye Valley District Supervisor Rick K. Blevins,

North Fork District Supervisor Ron C. Blevins,
Atkins District Supervisor J. Howard Burton,
Saltville District Supervisor Roscoe D. Call and
Royal Oak District Supervisor G. Blake Frazier.

NAYS: None.

ABSTAINERS: None.

ABSENT: None.

8:11:30 PM Meeting adjourned.

DRAFT

January 27, 2014

Mr. Michael L. Carter
County Administrator
Smyth County
121 Bagley Circle, Suite 100
Marion, Virginia 24354

Re: Governor's Development Opportunity Fund and Smyth County Local Grant Performance Agreement

Dear Mr. Carter:

Enclosed is a fully-executed copy of the Governor's Development Opportunity Fund and Smyth County Local Grant Performance Agreement among the County of Smyth, Virginia, the Economic Development Authority of the County of Smyth, Virginia, and New Ridge, LLC.

If you need any additional information or documentation, please let me know. We wish New Ridge, LLC, a productive and prosperous relationship with the County of Smyth, Virginia.

Sincerely,



Katharine A. Hart
Assistant General Counsel

KAH/kme

Enclosure

**GOVERNOR'S DEVELOPMENT OPPORTUNITY FUND
SMYTH COUNTY LOCAL GRANT**

PERFORMANCE AGREEMENT

This **PERFORMANCE AGREEMENT** (the "Agreement") made and entered this 19 day of December, 2013, by and among the **COUNTY OF SMYTH, VIRGINIA** (the "Locality") a political subdivision of the Commonwealth of Virginia (the "Commonwealth"), **NEW RIDGE, LLC**, a Virginia limited liability company (the "Company"), and the **ECONOMIC DEVELOPMENT AUTHORITY OF SMYTH COUNTY, VIRGINIA** (the "Authority"), a political subdivision of the Commonwealth.

WITNESSETH:

WHEREAS, the Locality has been awarded a grant of and expects to receive \$250,000 from the Governor's Development Opportunity Fund (a "GOF Grant") through the Virginia Economic Development Partnership Authority ("VEDP") for the purpose of inducing the Company to purchase an existing manufacturing facility in the Locality (the "Facility") and to equip and improve the Facility, thereby making a significant Capital Investment, as hereinafter defined, and creating a significant number of New Jobs, as hereinafter defined;

WHEREAS, to induce the Company to purchase, equip and improve the Facility, the Authority is willing to provide to the Company a \$300,000 cash grant (the "Local Grant");

WHEREAS, the Locality is willing to provide the proceeds of the GOF Grant to the Authority with the expectation that the Authority will provide the funds to or for the use of the Company, and the Authority is willing to provide the proceeds of the GOF Grant and the Local Grant (together, the "Grants") to the Company, provided that the Company promises to meet certain criteria relating to Capital Investment and New Jobs;

WHEREAS, the Locality, the Authority and the Company desire to set forth their understanding and agreement as to the payout of the Grants, the use of the proceeds of the Grants, the obligations of the Company regarding Capital Investment and New Job creation, and the repayment by the Company of all or part of the Grants under certain circumstances;

WHEREAS, the purchase, equipping, improvement and operation of the Facility will entail a capital expenditure of approximately \$4,650,000, of which approximately \$2,100,000 will be invested in machinery and equipment and approximately \$2,550,000 will be invested in the purchase of land and an existing building;

WHEREAS, the purchase, equipping, improvement and operation of the Facility will further entail the creation and Maintenance, as defined below, of 125 New Jobs at the Facility; and

WHEREAS, the stimulation of the additional tax revenue and economic activity to be generated by the Capital Investment and New Jobs constitutes a valid public purpose for the expenditure of public funds and is the animating purpose for the Grants:

NOW, THEREFORE, in consideration of the foregoing, the mutual benefits, promises and undertakings of the parties to this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties covenant and agree as follows.

Section 1. Definitions.

For the purposes of this Agreement, the following terms shall have the following definitions:

“Capital Investment” means a capital expenditure by or on behalf of the Company in taxable real property, taxable tangible personal property, or both, at the Facility, excluding the purchase of land or existing real property improvements or existing equipment, machinery and tools. The Capital Investment must be in addition to the capital improvements at the Facility as of November 1, 2013.

“Initial Performance Date” means December 31, 2016. If the Locality, in consultation with the Authority and VEDP, deems that good faith and reasonable efforts have been made and are being made by the Company to achieve the Targets, the Locality may agree to extend the Initial Performance Date by up to 15 months. If the Initial Performance Date is extended, the Locality shall send written notice of the extension to the Authority, the Company and VEDP and the date to which the Initial Performance Date has been extended shall be the “Initial Performance Date” for the purposes of this Agreement.

“Maintain” means that the New Jobs created pursuant to the Grants will continue without interruption from the date of creation through the Subsequent Performance Date. Positions for the New Jobs will be treated as Maintained during periods in which such positions are not filled due to (i) temporary reductions in the Company’s employment levels (so long as there is active recruitment for open positions), (ii) strikes and (iii) other temporary work stoppages.

“New Job” means new permanent full-time employment of an indefinite duration at the Facility for which the standard fringe benefits are paid by the Company for the employee, and for which the Company pays an average annual wage of at least \$30,000. Each New Job must require a minimum of either (i) 35 hours of an employee’s time per week for the entire normal year of the Company’s operations, which “normal year” must consist of at least 48 weeks, or (ii) 1,680 hours per year. Seasonal or temporary positions, positions created when a job function is shifted from an existing location in the Commonwealth, and positions with construction contractors, vendors, suppliers and similar multiplier or spin-off jobs shall not qualify as New Jobs.

“Subsequent Performance Date” means December 31, 2020, unless the Initial Performance Date has been extended. If the Initial Performance Date has been extended, the

Subsequent Performance shall be 4 years after the new Initial Performance Date. Except as so noted, the Subsequent Performance Date is not subject to extension.

"Targets" means the Company's obligations to make Capital Investments at the Facility of at least \$2,100,000 and to create and Maintain at least 125 New Jobs at the Facility, all as of the Initial Performance Date. Further, "Targets" includes the Company's obligation to Maintain at least 125 New Jobs at the Facility through the Subsequent Performance Date.

"Virginia Code" means the Code of Virginia of 1950, as amended.

Section 2. Targets.

The Company will develop and operate the Facility in the Locality, make a Capital Investment of at least \$2,100,000, and create and Maintain at least 125 New Jobs at the Facility, all as of the Initial Performance Date. Further, the Company will Maintain at least 125 New Jobs at the Facility through the Subsequent Performance Date.

The Locality and the Authority hereby strongly encourage the Company to ensure that at least thirty percent (30%) of the New Jobs are offered to "Residents" of the Commonwealth, as defined in Virginia Code Section 58.1-302. In pertinent part, that definition includes natural persons domiciled in Virginia or natural persons who, for an aggregate of more than 183 days of the year, maintained a place of abode within the Commonwealth, whether domiciled in the Commonwealth or not.

The average annual wage of the New Jobs of at least \$30,000 is less than the prevailing average annual wage in the Locality of \$32,115, but is more than 85% of that prevailing average annual wage (\$27,298). The Locality is a high-unemployment locality, with an unemployment rate for 2012, which is the last year for which such data is available, of 8.8% as compared to the 2012 statewide unemployment rate of 5.9%. The Locality is a high-poverty locality, with a poverty rate for 2011, which is the last year for which such data is available, of 19.4% as compared to the 2011 statewide poverty rate of 11.6%.

Section 3. Disbursement of Grants.

(a) *GOF Grant:* By no later than December 31, 2013, the Locality will request the disbursement to it of the GOF Grant. If not so requested by the Locality by December 31, 2013, this Agreement will terminate. The Locality and the Company will be entitled to reapply for a GOF Grant thereafter, based upon the terms, conditions and availability of funds at that time.

The GOF Grant in the amount of \$250,000 will be paid to the Locality, upon its request. Within 30 days of its receipt of the GOF Grant proceeds, the Locality will disburse the GOF Grant proceeds to the Authority. Within 30 days of its receipt of the GOF Grant proceeds, the Authority will disburse the GOF Grant proceeds to the Company as an inducement to the Company to achieve the Targets at the Facility. The Company will use the GOF Grant proceeds for site acquisition or for grading, drainage, paving, and any other activity required to prepare a site for construction or renovation, as permitted by Section 2.2-115(D) of the Virginia Code.

(b) *Local Grant:* The Local Grant in the amount of \$300,000 will be paid by the Authority to the Company at approximately the same time that the Authority pays the proceeds of the GOF Grant to the Company, as an inducement to the Company to achieve the Targets at the Facility. The Company will use the Local Grant proceeds for building acquisition or improvement costs.

Section 4. Break-Even Point; State and Local Incentives.

VEDP has estimated that the Commonwealth will reach its "break-even point" by the Subsequent Performance Date. The break-even point compares new revenues realized as a result of the Capital Investment and New Jobs at the Facility with the Commonwealth's expenditures on incentives, including but not limited to the GOF Grant. With regard to the Facility, the Commonwealth expects to provide incentives in the following amounts:

<u>Category of Incentive:</u>	<u>Total Amount</u>
GOF Grant	
Virginia Jobs Investment Program ("VJIP") (Estimated)	\$250,000
Tobacco Region Opportunity Fund Grant ("TROF")	100,000
Enterprise Zone Job Creation Grant ("EZJCG") (Estimated)	450,000
	237,500

The Locality expects to provide the following incentives, as matching grants or otherwise, for the Facility:

<u>Category of Incentive:</u>	<u>Total Amount</u>
Local Grant	
Local Enterprise Zone Benefits (Estimated – Not to Exceed)	\$300,000
	150,000

The proceeds of the GOF Grant and the Local Grant shall be used for the purposes described in Section 3. The VJIP grant proceeds shall be used by the Company to pay or reimburse itself for recruitment and training costs. The proceeds of the TROF Grant may be used by the Company for any lawful purpose. The EZJCG proceeds and the Local Enterprise Zone Benefits may be used by the Company for any lawful purpose.

Section 5. Repayment Obligation.

(a) *If Statutory Minimum Eligibility Requirements are Not Met:* Section 2.2-115 of the Virginia Code requires that the Company make a Capital Investment of at least \$1,500,000 in the Facility and create and Maintain at least 15 New Jobs at the Facility in order to be eligible for the GOF Grant. Failure by the Company to meet either of these statutory minimum eligibility requirements by the Initial Performance Date shall constitute a breach of this Agreement and the entire GOF Grant and Local Grant must be repaid by the Company to the Authority.

(b) *GOF Grant -- If Statutory Minimum Eligibility Requirements are Met:* The provisions of this subsection (b) shall become applicable only if the Company has met the

statutory minimum eligibility requirements set forth in subsection (a). For purposes of repayment, the GOF Grant is to be allocated as \$125,000 (50%) for the Company's Capital Investment Target and \$125,000 (50%) for its New Jobs Target. Except as noted in subsection (d) below, if the Company has met at least 90% of both of the Targets at the Initial Performance Date, then and thereafter the Company is no longer obligated to repay any portion the GOF Grant. If the Company has not met at least 90% of either or both of its Targets at the Initial Performance Date, the Company shall repay to the Authority that part of the GOF Grant that is proportional to the Target or Targets for which there is a shortfall. For example, if at the Initial Performance Date, the Capital Investment is only \$1,575,000 (reflecting achievement of 75% of the Capital Investment Target) and only 100 New Jobs have been created and Maintained (reflecting achievement of 80% of the New Jobs Target), the Company shall repay to the Authority 25% of the moneys allocated to the Capital Investment Target (\$31,250) and 20% of the moneys allocated to the New Jobs Target (\$25,000).

(c) *Local Grant -- If Statutory Minimum Eligibility Requirements are Met:* The provisions of this subsection (c) shall become applicable only if the Company has met the statutory minimum eligibility requirements set forth in subsection (a). For purposes of repayment, the Local Grant is to be allocated as \$150,000 (50%) for the Company's Capital Investment Target and \$150,000 (50%) for its New Jobs Target. Except as noted in subsection (d) below, if the Company has met at least 90% of both of the Targets at the Initial Performance Date, then and thereafter the Company is no longer obligated to repay any portion the Local Grant. If the Company has not met at least 90% of either or both of its Targets at the Initial Performance Date, the Company shall repay to the Authority that part of the Local Grant that is proportional to the Target or Targets for which there is a shortfall. For example, if at the Initial Performance Date, the Capital Investment is only \$1,575,000 (reflecting achievement of 75% of the Capital Investment Target) and only 100 New Jobs have been created and Maintained (reflecting achievement of 80% of the New Jobs Target), the Company shall repay to the Authority 25% of the moneys allocated to the Capital Investment Target (\$37,500) and 20% of the moneys allocated to the New Jobs Target (\$30,000).

(d) *Further Performance Target for the Maintenance of the New Jobs:* If the Company had no repayment obligation under subsection (a) above or under subsection (b) or (c) above as to the New Jobs Target, the Company may still have a repayment obligation if it has not Maintained the New Jobs from the Initial Performance Date through the Subsequent Performance Date. If the Company has not Maintained at least 113 New Jobs (90% of 125 New Jobs) through the Subsequent Performance Date, the Company shall repay to the Authority that part of GOF Grant and the Local Grant that is proportional to the shortfall from the 125 New Jobs. For example, if at the Subsequent Performance Date, only 75 New Jobs have been Maintained (reflecting achievement of 60% of the New Jobs Target), the Company shall repay to the Authority 40% of the moneys allocated to New Jobs for the GOF Grant (\$50,000) and for the Local Grant (\$60,000).

(e) *Determination of Inability to Comply:* If the Locality or VEDP shall determine at any time prior to the Initial Performance Date (a "Determination Date") that the Company is unable or unwilling to meet and Maintain its Targets by and through the Initial Performance Date, and if the Locality, the Authority or VEDP shall have promptly notified the Company of

such determination, the Company must repay to the Authority 100% of the GOF Grant and the Local Grant. Such a determination will be based on such circumstances as a filing by or on behalf of the Company under Chapter 7 of the U.S. Bankruptcy Code, the liquidation of the Company, an abandonment of the Facility by the Company or other similar significant event that demonstrates the Company will be unable or is unwilling to satisfy the Targets for the Grants.

(f) *Repayment Dates:* *Such repayment shall be due from the Company to the Authority within ninety days after the Initial Performance Date, the Subsequent Performance Date or the Determination Date, as applicable.* Any moneys repaid by the Company to the Authority hereunder allocable to the GOF Grant shall be repaid by the Authority to the Locality and shall be repaid by the Locality promptly to VEDP for redeposit into the Governor's Development Opportunity Fund. Any moneys repaid by the Company to the Authority hereunder allocable to the Local Grant shall be retained by the Authority. The Locality and the Authority shall use their best efforts to recover such funds allocable to the GOF Grant or the Local Grant, including legal action for breach of this Agreement. Neither the Locality nor the Authority shall have any responsibility for the repayment of any sums hereunder unless said sums have been received by the Authority from the Company.

(g) *Force Majeure:* Notwithstanding the foregoing, if the Company does not meet the Targets because of an "Event of Force Majeure" (as defined herein), the Initial Performance Date will be extended day-for-day by the delay in meeting the Targets caused by the Event of Force Majeure. "Event of Force Majeure" means without limitation, any of the following: acts of God; strikes, lockouts or other industrial disturbances; act of public enemies; orders of any kind of the government of the United States of America or of the Commonwealth of Virginia or any of their respective departments, agencies, political subdivisions or officials, or any civil or military authority; insurrections; riots; epidemics; landslides; lightning; earthquakes; fires; hurricanes; tornadoes; storms; floods; washouts; droughts; arrests; restraint of government and people; civil disturbances; explosions; breakage or accident to machinery, transmission pipes or canals not caused by the Company; partial or entire failure of utilities; or any other cause or event not reasonably within the control of the Company.

Section 6. Company Reporting.

The Company shall provide, at the Company's expense, detailed verification reasonably satisfactory to the Locality, the Authority and VEDP of the Company's progress on the Targets. Such progress reports will be provided annually on or before April 1, starting at April 1, 2014, and covering the period through the prior December 31. The Company shall also provide such progress reports at such other times as the Locality, the Authority or VEDP may reasonably require.

With each such progress report, the Company shall report to VEDP the amount paid by the Company in the prior calendar year in Virginia corporate income tax. VEDP has represented to the Company that it considers such information to be confidential proprietary information that is exempt from public disclosure under the Virginia Freedom of Information Act and that such information will be used by VEDP solely in calculating aggregate return on invested capital analyses for purposes of gauging the overall effectiveness of economic development incentives.

Section 7. Notices.

Any notices required or permitted under this Agreement shall be given in writing, and shall be deemed to be received upon receipt or refusal after mailing of the same in the United States Mail by certified mail, postage fully pre-paid or by overnight courier (refusal shall mean return of certified mail or overnight courier package not accepted by the addressee):

if to the Company, to:

New Ridge, LLC
6373 Lee Highway
Atkins, Virginia 24311
Attention: President and CEO

with a copy to:

Williams Mullen
200 South 10th Street, Suite 1600
Richmond, Virginia 23219
Attention: Patrick O. Gottschalk, Esquire

if to the Locality, to:

County of Smyth
121 Bagley Circle, Suite 100
Marion, VA 24354
Attention: County Administrator

with a copy to:

County of Smyth
121 Bagley Circle, Suite 100
Marion, VA 24354
Attention: County Attorney

if to the Authority, to:

Industrial Development Authority of the
County of Smyth, Virginia
c/o County of Smyth
121 Bagley Circle, Suite 100
Marion, VA 24354
Attention: Chair

with a copy to:

County of Smyth
121 Bagley Circle, Suite 100
Marion, VA 24354
Attention: County Attorney

if to VEDP, to:

Virginia Economic Development Partnership
901 East Byrd Street, 19th Floor
Post Office Box 798 (zip: 23218-0798)
Richmond, Virginia 23219
Attention: President and CEO

with a copy to:

Virginia Economic Development Partnership
901 East Byrd Street, 19th Floor
Post Office Box 798 (zip: 23218-0798)
Richmond, Virginia 23219
Attention: General Counsel

Section 8. Dispute Resolution.

In the event of any dispute, controversy or claim of any kind or nature arising under or in connection with this Agreement (including disputes as to the creation, validity, or interpretation of this Agreement) (a "Dispute"), then upon the written request of any party, each of the parties will appoint a designated senior executive whose task it will be to meet for the purpose of endeavoring to resolve the Dispute. The designated executives will meet as often as the parties

reasonably deem necessary in order to gather and furnish to the other all information with respect to the matter in issue which the parties believe to be appropriate and germane in connection with its resolution. Such executives will discuss the Dispute and will negotiate in good faith in an effort to resolve the Dispute without the necessity of any formal proceeding relating thereto. The specific format for such discussions will be left to the discretion of the executives but may include the preparation of agreed upon statements of fact or written statements of position furnished to the other parties. No formal proceedings for the resolution of the Dispute may be commenced until the earlier to occur of (a) a good faith mutual conclusion by the executives that amicable resolution through continued negotiation of the matter in issue does not appear likely or (b) the 90th day after the initial request to negotiate the Dispute. If the resolution of the Dispute requires any party to take, or cause to be taken or to cease taking, some action, such party shall be provided a reasonable period of time, not to exceed ninety (90) days, to take, to cause, or to cease taking, such action.

Section 9. Miscellaneous.

(a) *Entire Agreement; Amendments:* This Agreement constitutes the entire agreement among the parties as to the Grants and may not be amended or modified, except in writing, signed by each of the parties. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns. The Company may not assign its rights and obligations under this Agreement without the prior written consent of the Locality, the Authority and VEDP. Notwithstanding the preceding sentence, the Company shall have the right, without the consent of any party hereto or VEDP, to assign its rights and responsibilities under this Agreement to any entity that owns 100% of its issued and outstanding capital stock or any entity controlled by it, provided that (i) the Company shall remain liable for the performance by any such assignee of its obligations under this Agreement, (ii) the Company shall provide written notice of such assignment to the Locality, the Authority and VEDP, and (iii) such assignee shall assume all of the obligations of the Company under this Agreement.

(b) *Governing Law; Venue:* This Agreement is made, and is intended to be performed, in the Commonwealth and shall be construed and enforced by the laws of the Commonwealth. Jurisdiction and venue for any litigation arising out of or involving this Agreement shall lie in the Circuit Court of the County of Smyth, and such litigation shall be brought only in such court.

(c) *Counterparts:* This Agreement may be executed in one or more counterparts, each of which shall be an original, and all of which together shall be one and the same instrument.

(d) *Severability:* If any provision of this Agreement is determined to be unenforceable, invalid or illegal, then the enforceability, validity and legality of the remaining provisions will not in any way be affected or impaired, and such provision will be deemed to be restated to reflect the original intentions of the parties as nearly as possible in accordance with applicable law.

(e) *Attorney's Fees:* Attorney's fees shall be paid by the party incurring such fees.

(f) *IRC Section 118:* The Company intends that the Grants will qualify under Section 118 of the Internal Revenue Code of 1986, as amended, and the applicable Treasury Regulations under that Section, and were granted as an inducement for the Company to improve and equip the Facility within the Commonwealth and the Locality and were not in exchange for any goods or services. The Locality and the Authority have offered the local incentives described in this Agreement to induce the Company to improve and equip its manufacturing operations in the Locality, and in the Commonwealth.

(g) *Non-Waiver:* No party hereto shall be deemed to have waived the exercise of any right hereunder unless such waiver is made expressly and in writing, and no such waiver of any such right in any one instance shall be deemed a waiver as to any other instance of any other right.

(h) *Headings:* The headings in this Agreement are for purposes of convenience only and shall not modify or enlarge the interpretation of the text of this Agreement. The words "herein," "hereof," and "hereunder" and other words of similar import shall refer to this Agreement as a whole and not to a particular Article, Section, Subsection, or Paragraph. Whenever the context hereof shall so require, the singular shall include the plural, the male gender shall include the female gender and the neuter, and vice versa.

(i) *No Partnership:* This Agreement does not and shall not be construed to create a partnership, joint venture, or any other relationship between or among the parties hereto except the relationship specifically established hereby.

(j) *Days:* If any action is required to be performed, or if any notice, consent or other communication is given, on a day that is a Saturday or Sunday or a legal holiday in the jurisdiction in which the action is required to be performed or in which is located the intended recipient of such notice, consent or other communication, such performance shall be deemed to be required, and such notice, consent or other communication shall be deemed to be given, on the first business day following such Saturday, Sunday or legal holiday. Unless otherwise specified herein, all references herein to a "day" or "days" shall refer to calendar days and not business days.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have executed this Performance Agreement as of the date first written above.

COUNTY OF SMYTH, VIRGINIA

By Wade H. Blains, Jr.
Name: Wade H. Blains, Jr.
Title: Chairman, Smyth County Board of Supervisors
Date: December 19, 2013

ECONOMIC DEVELOPMENT
AUTHORITY OF THE COUNTY OF
SMYTH, VIRGINIA

By Harvey Dean
Name: Harvey Dean
Title: Chairman - EDA
Date: Dec. 19, 2013

NEW RIDGE, LLC

By Zou Xiaohui
Name: Zou Xiaohui
Title: President and CEO
Date: 01/07/2014

The Honorable Terry G. Kilgore
Chairman

The Honorable Frank M. Ruff
Vice Chairman

Neal E. Noyes
Executive Director



701 E. Franklin Street, Suite 501
Richmond, Virginia 23219

804-225-2027 [Phone]
1-877-807-1086 [Toll Free]
804-786-3210 [Fax]

www.tic.virginia.gov

VIRGINIA TOBACCO INDEMNIFICATION AND COMMUNITY REVITALIZATION COMMISSION

January 28, 2014

Michael Carter
County Administrator, Smyth County
121 Bagley Circle, Suite 100
Marion, VA 24354

Re: Tobacco Regional Opportunity Fund Performance Agreement
dated 12/31/13 between the Virginia Tobacco Commission,
IDA of Smyth County and New Ridge, LLC. (#2718)

Dear Mr. Carter,

Enclosed you will find three executed originals of the subject *Performance Agreement* for your records as well as the Company's. Please make sure the Commission receives one original back after the IDA has signed and also, be reminded that in order to receive the funds, the County must send a written request along with a newly signed W-9.

If you have any questions, please don't hesitate to let me know.

Sincerely,

Stacey Richardson
Executive Assistant

Enclosures

Request for Taxpayer Identification Number and Certification

Give Form to the
requester. Do not
send to the IRS.

Print or type
See Specific Instructions on page 2.

Name (as shown on your income tax return)

Smyth County Board of Supervisors

Business name/disregarded entity name, if different from above

Check appropriate box for federal tax classification:

☐ Individual/sole proprietor ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate

☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶

☒ Other (see Instructions) ▶

Local Government Agency

Exemptions (see Instructions):

Exempt payee code (if any) _____

Exemption from FATCA reporting
code (if any) _____

Address (number, street, and apt. or suite no.)

121 Bagley Circle, Suite 100

City, state, and ZIP code

Marion, VA 24354

Requester's name and address (optional)

List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number

____ - ____ - ____

Employer identification number

5 4 - 6 0 0 1 6 0 8

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below), and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

Sign
Here

Signature of
U.S. person ▶

Michael A. Carter

Date ▶

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. The IRS has created a page on IRS.gov for information about Form W-9, at www.irs.gov/w9. Information about any future developments affecting Form W-9 (such as legislation enacted after we release it) will be posted on that page.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, payments made to you in settlement of payment card and third party network transactions, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the

withholding tax on foreign partners' share of effectively connected income, and

4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct.

Note. If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

PERFORMANCE AGREEMENT

This Performance Agreement (the "Agreement") is made and entered into this 31 day of December, 2013, by and among the Virginia Tobacco Indemnification and Community Revitalization Commission (the "Commission"), a political subdivision of the Commonwealth, the Industrial Development Authority of Smyth County, Virginia (the "Grantee"), a political subdivision of the Commonwealth, and New Ridge, LLC (the "Company"), a Virginia limited liability company.

WITNESSETH:

WHEREAS the Grantee has been selected to receive a grant in the amount of \$450,000 (the "Grant") from the Commission for its use in inducing the Company to construct or locate taxable assets and employ persons in Smyth County (the "Locality");

WHEREAS the Grantee has indicated its desire to tender the Grant to the Company for its use and benefit, provided that the Company commits to the achievement of certain goals relating to employment and the construction or location of taxable assets in compliance with the terms hereof;

WHEREAS the Commission, the Grantee and the Company desire to set forth their understanding and agreement as to the use of the Grant, the obligations of each party hereto, the conditions under which the Grant must be repaid, and the obligations of each party hereto in the event of default;

WHEREAS the Commission finds that the Grant serves a valid public purpose and is consistent with the Commission's mission as outlined in Section 3.2-3100, et. seq. of the Code of Virginia.

NOW, THEREFORE, in consideration of the foregoing, the mutual benefits and promises of the parties to this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby covenant and agree as follows:

Section 1. Disbursement of the Grant

The deadline for this Agreement to be executed by all parties hereto is 90 days after the date first written above. If this Agreement has not been executed by all parties hereto on or before that date, Grantee's right to the Grant Proceeds shall automatically terminate. The Commission shall disburse the Grant to the Grantee within 30 days of the Commission's receipt of (i) this Agreement, executed by all parties hereto, and (ii) a written request for disbursement from the Grantee, PROVIDED that the Grantee is not in default on its obligations to the Commission as of the date first written above. In the event that the Grantee is in default on its obligations to the Commission as of the date first written above, disbursement of the Grant shall be withheld until such default is cured.

If disbursement to the Grantee has not occurred within one hundred twenty (120) days from the date of this Agreement, the Grant shall be automatically rescinded. Unless otherwise agreed in writing by the parties hereto, Grantee shall disburse the Grant to the Company, or for the Company's benefit, within 30 days of receipt of the Grant from the Commission or return the money to the Commission.

Section 2. Use of the Grant

Under this Agreement, the Commission places no restriction on the use of the Grant proceeds by the Company. Should there be any such restrictions imposed by the Grantee, the same shall be described in Exhibit A, which shall be attached hereto and made a part hereof, but which shall be binding upon the Company only if signed thereon by an authorized Company representative, and not by reference herein. The Grantee shall be responsible for enforcement of any restrictions described in said Exhibit A.

Section 3. Employment Obligation

The Company shall employ* at least 125 persons in the Locality with a quarterly aggregate payroll of at least \$937,500. Said employment and payroll will be in addition to those already employed in the Locality by the Company and paid during the calendar quarter ending on June 30, 2013, hereinafter called the "Base Quarter." Persons employed by the Company in the Locality shall be counted as employment hereunder only to the extent that they (a) exceed the aggregate number of employees at all Company locations within the Commonwealth of Virginia during the Base Quarter, and (b) are not counted as fulfillment of any other employment obligation made to the Commission by the Company under any other agreement.

**for purposes of this Agreement the number of persons "employed" means the number of persons who received pay in any given quarter and is calculated by adding together the number of persons who received pay in each month of the quarter and dividing that sum by three (3).*

Section 4. Obligations Regarding Taxable Assets

The Company shall locate or construct taxable assets in the Locality having an assessed value of at least \$4,600,000 as determined by the locality's Commissioner of Revenue ("COR"). If the locality elects to arrange for reimbursement to the Company of all, or any portion of, the tax paid by Company for said taxable assets, or elects to waive all or any portion of such tax liability, Company's aforementioned obligation to locate or construct taxable assets in the Locality shall not be waived or reduced. Company shall receive credit for the value of all taxable assets so determined by the COR, notwithstanding the local taxing authority's election to waive or refund the taxes so levied. Said taxable assets will be in addition to those counted in fulfillment of any other taxable asset or capital investment obligation made to the Commission by the Company under any other agreement. If the Company is exempt from the payment of property taxes on certain assets by state law, the Company shall not be entitled to receive or keep any portion of the Grant allocated to its investment in those certain assets.

Section 5. Determination of Performance - Employment

To earn the Grant, the Company must meet its employment obligations hereunder not later than thirty six (36) months after the end of the Base Quarter. The Company's employment obligations will be deemed to have been fully met when it can document any three (3) consecutive calendar quarters after the Base Quarter in which:

- (i) the average number of employees who received pay from the Company during each of those three (3) consecutive quarters* exceeds the average number of employees who received pay in the Base Quarter by at least the number promised in Section 3 above, AND
- (ii) the total wages paid by the Company to employees in each of those three quarters exceed the wages paid by the Company to employees in the Base Quarter by at least the amount promised in Section 3 above, AND
- (iii) all such employees worked in the Locality, AND
- (iv) all Company employees in Virginia have been reported to the Virginia Employment Commission ("VEC") in accordance with VEC regulations. Company's failure to satisfy such requirements shall be a breach hereof, and shall constitute a default hereunder by Company. Employment gains by the Company in the Locality that are offset by employment losses elsewhere in Virginia shall not be counted as employment hereunder.

The foregoing shall be based upon reports made by, or on behalf of, the Company to the VEC including but not limited to *VEC Form FC-20 Employer's Quarterly Tax Report* and *O.M.B. Form No 1220-0134 Multiple Worksite Report - BLS 3020* (or any successor forms designated by VEC, or accepted by VEC in lieu thereof). If such tax filings include Company employees who did not work in the Locality, it shall be the duty of the Company to provide additional information sufficient to identify those employees who did work in the Locality. Employees of subsidiary companies, related entities, entities under common ownership or control, or employees of independent contractors hired by the Company shall not be counted as employees of the Company in fulfillment of its promise hereunder UNLESS such entities and their relationship to the Company are disclosed to and approved by the Commission in writing, AND such entities supply the Commission with the same employment documentation as described herein. Employees of temporary employment agencies ("temps") who are assigned to work for the Company in the Locality shall not be counted UNLESS evidenced by letter from the temp agency setting forth the number of man-hours so assigned within the 36 months immediately following the Base Quarter. Such man hours shall be credited to the Company's job-creation obligation at the rate of one job for one quarter for every 520 man hours evidenced by the letter.

* the number of persons who received pay in any given quarter is calculated by adding together the number of persons who received pay in each month of the quarter and dividing that sum by three (3).

Section 6 Intentionally Blank

Section 7. Determination of Performance - Taxable Assets

For purposes of this Agreement, the calendar year that includes the Base Quarter shall be called the "Base Year." The Company agrees to meet its taxable asset obligations hereunder not later than thirty-six (36) months thereafter and agrees that all such assets will be owned or leased by the Company, located in the Locality, subject to taxation, and of record with the COR, all during the aforementioned 36-month period. Company assets located or constructed in the Locality prior to or during the Base Quarter will not be counted in fulfillment of the Company's taxable asset obligation.

The Company's achievement toward meeting its taxable asset obligation shall be based on asset values assessed by the COR for the Locality and shall be the sum of the following:

- a. the highest real property assessed value of record for any one of the three years following the Base Year, less and except the assessed value for the Base Quarter, plus
- b. the first personal property assessed value for each asset first appearing of record in the Company name during the three calendar years following the Base Year.

The Commission shall rely upon the information described above as the same is reported to the Commission by the COR in writing, without exception.

For purposes of this Agreement, leased assets are defined as those for which the Company is contractually obligated to pay the property taxes thereon during the term of the lease, and evidence of the Company's obligation to pay such property taxes is presented to the Commission.

The Company hereby expressly grants its consent for (a) the COR for the Locality to release to the Tobacco Commission or the Grantee records necessary to disclose the information required in Section 7 hereof, and (b) the Virginia Employment Commission to release to the Tobacco Commission all Company employment records of any kind held by the Virginia Employment Commission.

Taxable assets owned by subsidiary companies, related entities, entities under common ownership or control, shall not be counted as taxable assets of the Company in fulfillment of its promise hereunder UNLESS such entities and their relationship to the Company are disclosed to and approved by the Commission in writing, AND such entities supply the Commission with the same taxable assets documentation as described in this Section.

Section 8. Repayment Obligation

In the event that the Company does not meet its obligations hereunder within thirty six (36) months after the end of the Base Quarter, it shall repay to the Grantee the unearned portion of the Grant, which is calculated as follows:

- a. A minimum increase in taxable assets is required before any portion of the Grant is earned by the Company, hereinafter called the Minimum Investment Requirement. The Minimum Investment Requirement is the greater of (a) \$1.0 million or (b) one-half of the taxable asset obligation described in Section 4 hereof.
- b. For purposes of repayment, fifty percent (50%) of the Grant is allocated for the Company's taxable assets obligation and fifty percent (50%) for its employment obligation.

- c. Subject to the terms of Section 8.d. below, after exceeding the Minimum Investment Requirement, the fraction of the Grant allocated to employment that is earned by the Company is determined by dividing the average number of employees receiving pay during the three consecutive quarters as determined in Section 5 above with the highest employee count by the number of jobs promised in Section 3.
- d. The method of computation set forth in Paragraph 8.c. above will be used only if the quarterly aggregate payroll for the three consecutive quarters described in Section 5 equals or exceeds that promised in Section 3. If that quarterly aggregate payroll is less than that promised in Section 3, the number of qualifying employees shall be reduced in proportion to the shortfall in quarterly aggregate payroll and the reduced number of employees shall be used to determine whether Company has satisfied its employment obligation hereunder.
- d. After exceeding the Minimum Investment Requirement, the fraction of the Grant allocated to taxable assets that is earned by the Company is determined by dividing the greatest value of assets attested to by the COR under Section 7 above by the taxable assets promised in Section 4 above.
- e. All unearned portions of the Grant shall be repaid by the Company to the Grantee not later than thirty days after the date on which the Company is notified of the unearned amount. The Grantee agrees to remit the same to the Commission. Any refund owed by the Company to the Grantee hereunder shall immediately constitute an obligation of the Grantee to repay the Commission and such Grantee's obligation shall not be contingent upon successful collection of any amount from the Company. **The Grantee shall be liable for repayment to the Commission that portion of the Grant determined by the Commission to be due under the terms of this Section and hereby agrees to make such repayment without regard to whether Grantee has received repayment from the Company.**
- f. Interest shall accrue on unpaid balances at the rate of 3% per annum beginning on the 31st day after the Company is notified of the amount due.
- g. Monies due to the Locality pursuant to this agreement, if any, shall be considered to be owed to the Treasurer for the Locality and subject to the Treasurer's statutory powers provided for in the Code of Virginia.
- h. If the Company does not meet its employment obligations or taxable asset obligations hereunder by the date which is 36 months after the end of the Base Quarter because of an "Event of Force Majeure" (as defined herein), the date by which a requirement to meet such commitments shall be extended day-for-day for a period equal to the time elapsed during the Event of Force Majeure. "Event of Force Majeure" means without limitation any of the following: acts of God; strikes, lockouts or other industrial disturbances; acts of public enemies; orders or any kind of the government of the United States of America or of the Commonwealth of Virginia or any of their respective departments, agencies, political subdivisions or officials, or any civil or military authority; insurrections; riots; epidemics; landslides; lightning; earthquakes; fires; hurricanes; tornadoes; storms; floods; washouts; draughts; arrests; restraint of government and people; civil disturbances; explosions; breakage or accident to machinery, transmission pipes or canals not caused by the Company; partial or entire failure of utilities; or any other cause or event not reasonably within the control of the Company.

Section 9. Events of Default

If any of the following should occur within the thirty six (36) month period after the end of the Base Quarter, it shall constitute an event of default and the Commission may, at its election, accelerate the Company's obligation to repay the portion of the Grant that has not been earned as of the date of the event of default:

- a. the Company applies for or consents to the appointment of a receiver, trustee or liquidator of all or a substantial part of its assets, files a voluntary petition of bankruptcy, makes a general assignment for the benefit of creditors, files a petition or an answer seeking reorganization or arrangement with creditors, or if an order, judgment or decree shall be entered by any court of competent jurisdiction, on the application of a creditor, adjudicating the Company as bankrupt or insolvent or approving a petition seeking reorganization of the Company or appointing a receiver, trustee or liquidator of the Company or of all or a substantial part of its assets which remains undismissed, undischarged or unstayed for a period of forty-five (45) days.
- b. the Company ceases to be of record and in good standing with the Virginia State Corporation Commission, and such failure is not cured within 60 days from notice thereof, unless Company obligations hereunder have been assumed by another entity and that assumption approved by the Commission and the Grantee.
- c. the Company fails, for reasons other than an Event of Force Majeure, to fulfill at least twenty five percent (25%) of either its employment obligation described in Section 3 above or its taxable asset obligation described in Section 4 above within eighteen (18) months after the end of the Base Quarter.
- d. Failure to provide verification to the Commission as described in Section 10, below, within 60 days from a written request from the Commission.
- e. The Company closes its business in the Locality for a period of more than 30 days.

Section 10. Verification of Performance

If the Commission is unable to verify the Company's progress towards meeting its taxable asset and employment obligations herein using the information available pursuant to Sections 5 and 6, the Company shall provide, at the Company's expense, detailed verification to the Commission and the Grantee, of the Company's progress toward meeting its taxable asset and employment obligations. Such verification shall be limited to the Company's payroll tax filings and property tax filings, together with such other supporting documentation about the payroll and property tax filings as the Commission may request, but any such request shall be no more often than annually

If any of the taxable assets described in Section 4 have been made on behalf of the Company by a lessor, the Company shall be responsible for gathering and reporting to the Commission information regarding the taxable assets made by the lessor on behalf of the Company.

Section 11. Acknowledgment and Notice

The Company and the Grantee each acknowledge and agree to its respective repayment obligation in accordance with Section 7 of this Agreement. Any notices required or permitted under this Agreement shall be given in writing, and shall be deemed to be received upon receipt or refusal after mailing of the same in the United States Mail by certified mail, postage fully pre-paid or by overnight courier (refusal shall mean return of certified mail, undelivered) and addressed as follows:

if to the Company, to:

NAME: New Ridge, LLC.
ADDRESS: 6373 Lee Highway
Atkins, VA 24311

Attention: Zou Xiaohui, President & CEO

with a copy to:

Williams Mullen
200 South 10th Street
Richmond, VA 23219
Attention: Patrick O. Gottschalk

if to the Grantee, to:

NAME: Industrial Development Authority of Smyth County
ADDRESS: 121 Bagley Circle, Suite 100
Marion, VA 24354
Attention: Harry Dean, Chairman

if to the Commission, to:

NAME: Tobacco Indemnification and Community Revitalization Commission
ADDRESS: 701 East Franklin Street, Suite 501
Richmond, Virginia 23219
Attention: Tim Pfohl, Interim Executive Director

This Agreement constitutes the entire agreement between the parties hereto and shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. The Company may not assign its rights or obligations under this Agreement without the prior written consent of the Grantee and the Commission; provided that the Company shall have the right, without

the consent of the Grantee or the Commission, to assign its rights (not its obligations) under this Agreement to any entity that controls, is controlled by, or is under common control with, the Company.

This Agreement is made, and intended to be performed, in the Commonwealth and shall be construed and enforced by the laws of that state. Jurisdiction and venue for any litigation arising out of or involving this Agreement shall lie in the Circuit Court located nearest to the Locality and such litigation shall be brought only in such court.

This Agreement may be executed in one or more counterparts, each of which shall be an original, and all of which together shall be one and the same instrument. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. If any provision of this Agreement is determined to be unenforceable, then the remaining provisions of this Agreement shall, in the sole discretion of the Commission, be voidable by the Commission or interpreted as in effect as if such unenforceable provisions were not included therein.

The Company hereby warrants that from the date of this agreement until all obligations hereunder have been satisfied that it is, and will remain, registered and in good standing with the Virginia State Corporation Commission and that the Company is, and will remain, legally authorized to conduct business in the Commonwealth of Virginia.

The provisions of this Agreement are intended to and shall survive closing, the delivery of any deed or other instrument, and any other event.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to become effective as of the date first written above.

TOBACCO INDEMNIFICATION AND
COMMUNITY REVITALIZATION
COMMISSION

By: _____

Interim Executive Director

Date: _____

1.24.14

INDUSTRIAL DEVELOPMENT AUTHORITY
OF SMYTH COUNTY

By: _____

Title: _____

Date: _____

NEW RIDGE, LLC

By: _____

Zou Xiaohui

Title: President and CEO

Date: Jan. 15, 2014

**PUBLIC HEARING
BEFORE THE SMYTH COUNTY BOARD OF SUPERVISORS**

The Smyth County Board of Supervisors will conduct a public hearing on Tuesday, January 14, 2014 at 6:00 p.m. or soon thereafter, as may be heard, in the Smyth County Office Building, 121 Bagley Circle, Marion, Virginia, to consider the following nuisance complaints pursuant to §15.2-900 et. seq. of the Virginia Code, (1950), as amended and by authority of Smyth County Code, Article 3, Section 20. Sec. 20-66 requires publication in cases where the property owner is unknown or the county has been unable to contact the owner. Those with an ownership interest in the properties below should appear at the hearing. If a property is declared a public nuisance, the property owner may be required to abate or raze the nuisance at his/her cost. If the County takes action to remove the nuisance, the cost will be charged to the owner and is a lien against the property ranking on parity with real estate taxes. Failure to pay any nuisance abatement charges may result in the property being sold for delinquent real estate taxes and nuisance abatement liens pursuant to §58.1-3965.

At this public hearing, subject to the rules of procedure of the Board of Supervisors of Smyth County, Virginia, any person may appear and state his/her views thereon. In compliance with the Americans with Disabilities Act, persons requiring special assistance to attend and participate in this hearing should contact Clegg Williams, ADA Coordinator, at (276)783-3298 x227, at least 48 hours prior to the hearing.

Property Owner	Tax Map No.	Account No.	Location
Mattie Lee Richardson	58-A-11	000115371	Crisp Road Marion
J.B. Hogston Estate	28A3-A-69	000086550	714 Allison Gap Road Saltville
Lois M. Miller	76-A-86A	117137	1639 St. Clair's Creek Road Chilhowie
Clarence R. Minton Estate	29-A-4	102016	Kent Street between 179 & 195, Saltville

Done by order of the Board of Supervisors
Michael L. Carter, County Administrator

A meeting of the Smyth County Budget Committee was held at the County Office Building on Friday January 31, 2014 at 3:30 P.M.

Committee Members Present: Chilhowie District Supervisor Wade H. Blevins, Jr., Chairman
Park District Supervisor M. Todd Dishner, Vice-Chair
Rye Valley District Supervisor Rick K Blevins

Staff Members: Michael Carter, County Administrator
Scott Simpson, Assistant County Administrator
Charlie Atkins, Financial Director
Kelly Woods, Administrative Assistant
Michelle Clayton, County Attorney

Chairman Blevins called the meeting to order at 3:32 pm.

Michael Carter, County Administrator discussed the need to set a submittal date to Departments to allow them to submit their budgets, and to set a meeting schedule for the upcoming budget process. It was discussed to set the submittal date as February 21, 2014 and to set meetings to every Tuesday and Thursday, starting on January 25, 2014. The meeting time is tentatively scheduled for 3:30 to 5:00 P.M., on those said days. Park District Supervisor M. Todd Dishner motioned to accept the submittal date and meeting schedule for upcoming budget process. Rye Valley District Supervisor Rick K. Blevins seconded the motion, and all agreed unanimously.

Michael Carter, County Administrator, then discussed the need to clarify the part time salary paid to part time law enforcement. These are the gentlemen that escort the inmates to do certain jobs for the county, such as work at the County Building. It was agreed upon to pay them \$10.00 per hour, as they are being paid when they work for the Sheriff's Office, instead of the \$15.00, they had previously been paid by the County. There have been some conversations between these employees and Board of Supervisor members concerning this. The part time employees are upset that their pay has been decreased during the current budget season. After discussion, no one can explain why there was a difference on the rate of pay when they are doing the same type job for both the County and the Sheriff's Office. Going forward, \$10.00 is the agreeable rate to compensate the part time workers.

Michael Carter, County Administrator presented the committee with information from VACO concerning certification for Board of Supervisor members. Mr. Carter would like to see if there is interest in this, as there is no money available in the current budget to cover the charge of the classes. If there is interest, the committee could take a look at transferring funds to compensate for the classes, which are \$350.00, for a total of \$1750.00 per member. Rye Valley District Supervisor Rick K. Blevins suggested that he was interested in a few of the classes and recommend that the committee takes this into consideration for the 2014-2015 budget.

Charlie Atkins, Financial Director next updated the Budget Committee on the current status of the budget and finances of the County. Mr. Atkins states, that as we look at the budget now, and if all that is allocated is spent, we will not have sufficient funds to cover the projected budget. He gave information as to the largest spenders, and asked as we go into the process for the 2014-2015 budget, we take these items into consideration. Mr. Atkins states this is not an exact indicator of the finances as some revenues and expenses are one time larger items, which do not occur evenly throughout the year, but it is a good basis to work from.

Chilhowie District Supervisor Wade H. Blevins, Jr., Chairman, dismissed himself from the meeting at approximately 4:20 p.m.

Michael Carter, County Administrator asked Charlie Atkins, Financial Director, to explain the Cost Allocation Plan Contract. The committee members received a photocopy of this document to review. Mr. Atkins states this is a good contract for the committee to sign and move forward with. The firm, Robinson, Farmer, and Cox has done this in the past for the County. After discussion, it was agreed that the committee would like to recommend this to the Board at the February 11, 2014 meeting.

Michelle Clayton, County Attorney, provided information to the committee concerning her efforts to obtain old debts owed to the Smyth County Water Department. To date the amount is well over \$50,000 and Mrs. Clayton would like for the committee's recommendation as to the fees applied to each account for the administrative fee required to obtain the debt. After discussion, it was suggested that the fee be set at \$25.00 per account. Rye Valley District Supervisor Rick K. Blevins motioned to accept this fee, and Park District Supervisor M. Todd Dishner seconded the motion. All agreed unanimously.

With no other business to discuss, the meeting was adjourned at 4:43 p.m.

