

AGENDA

Tuesday, January 8, 2019
4:00 PM

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

CLOSED SESSION

Code of Virginia, Section 2.2-3711 **A.1; Personnel Matters;** Discussion, consideration, or interviews of prospective candidates for employment and contracts; **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

ELECTION OF OFFICERS:

Calendar year 2019

Chairman

Vice Chairman

Clerk

Deputy Clerk

Adopt Meeting Schedule

*Currently meetings are held on the second Tuesday of each month at 4:00 P.M., with continued meetings as needed.

Adopt Rules of Procedures

Adopt holiday schedule as approved by the Governor and as may be amended throughout the year

MINUTES OF PREVIOUS MEETINGS

Request adoption of the December 11th and December 27th, 2018 meeting minutes.

FINANCIAL STATUS

Michael Carter – 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

5:30 Ron Poff, Appalachian Power-Update on Broadford Substation Expansion

NEW BUSINESS

***Planning Commission Recommendation**

*** Committee Recommendations:**

- **Budget Committee-Todd Dishner, Chair**
- **Insurance Committee-Rick Blevins, Chair**
- **Water/Sewer Committee-Roscoe Call, Chair**

Supervisor Comment Time

**SMYTH COUNTY
BOARD OF SUPERVISORS**



**RULES OF PROCEDURES
ADOPTED SEPTEMBER 9, 2003**

Amended January 9, 2018

SMYTH COUNTY BOARD OF SUPERVISORS - RULES OF PROCEDURE

Be It Resolved, the Smyth County Board of Supervisors does hereby accept and adopt these Rules of Procedure in order to facilitate its powers and duties in accordance with the provisions of Title 15.2, Code of Virginia 1950, as amended. The official title of the governing body is "Smyth County Board of Supervisors" (Board).

ARTICLE 1 - Members

1.1 Members. The Smyth County Board of Supervisors consists of seven (7) members, one elected from each of the seven (7) election districts. Each member is elected for a term of four (4) years. Terms of office of the members run concurrently with the calendar year.

2.1 Chairperson. A Chairperson of the Board shall be elected from its members, by a plurality vote, at the first meeting of each calendar year. The Chairperson shall preside over all meetings, represent the Board at official functions and ceremonial events, and make such appointments as are not required by law to be made by the Board as a body.

2.2 Vice Chairperson. A Vice Chairperson of the Board shall be elected from its members, by a plurality vote, at the first meeting of each calendar year. The Vice Chairperson shall preside in the absence of the Chairperson, and perform such other duties as may be assigned by the Board.

2.3 Chairperson Pro-Tem. A Chairperson Pro-Tem may be appointed by the Chairperson or Vice Chairperson in the absence of both, before he/she leaves the room. In the event no Chairperson Pro-Tem has been appointed, one shall be selected by the members remaining. This person shall preside in the absence of the Chairperson and Vice Chairperson.

2.4 Term of Office. The Chairperson and Vice Chairperson shall each be elected for a one (1) year term. Either, or both, may be re-elected for one or more additional one year terms.

2.5 Clerk and Deputy Clerks. The County Administrator shall serve as Clerk to the Board. The Board may, at its first meeting of each calendar year, or as needed, designate one or more deputy clerks, who shall serve at the pleasure of the Board. Their duties shall be those set forth in Section 15.2-1538 and 15.2-1539, Title 15.2, Code of Virginia 1950, as amended, and by resolution of the Board adopted from time to time.

ARTICLE III - Meetings

3.1 Annual Meeting. The first meeting held after the newly elected members of the Board have qualified, and the first meeting held of each succeeding year shall be known as the annual meeting. At such annual meeting, the Board shall establish the days, times, and places for the regular meeting of the Board for the next twelve months. (§15.2-1416, Code of Virginia of 1950)

3.2 Regular Meetings. The Board shall meet in regular session at least once each month upon such day or days as have been established. The Board may subsequently establish different days, times, or places for such regular meetings by passing a resolution to that effect and providing the notice required by § 15.2-1416. However, when the day established as a regular meeting day falls on a legal holiday, the meeting shall be held on the next following regular business day, without action of any kind by the Board. (Section 15.2-1416, Code of Virginia 1950, as amended)

3.3 Special Meetings. A special meeting of the Board may be called by the Chairperson, and shall be called at the request of two or more members, which request shall be in writing addressed to the Clerk of the Board, specifying the time and place of the proposed special meeting and the matter to be discussed. Upon receipt of the request, the Clerk shall immediately notify in writing each member of the Board, the County Administrator, the Sheriff, and the County Attorney to

attend the special meeting at the given time and place and for the given purpose. Such notice shall be sent by first class or served by the Sheriff, or both, at least five (5) days before the date of the special meeting, except in a declared emergency, in which instance the notice may conform to the necessity of the emergency. No matter other than those specified in the notice shall be considered at such meeting unless all members are present and agree to such action by unanimous vote. (Sections 15.2-1417 and 15.2-1418, et al, of the Code of Virginia of 1950, as amended.)

3.4 Notices to Public. The Clerk shall notify the general news media of the time and place of all such meetings, and the matters to be considered.

3.5 Public Hearings. Public hearings shall be held after proper notice has been given. (§ 15.2-2204, § 15.2-2506, etc., or special provisions or the Code of Virginia of 1950, as amended)

3.6 Adjourned Meetings. Any regular or special meeting may be adjourned by a majority of the members of the Board present to a date and time certain prior to the next meeting.

3.7 Place of Meetings. All meetings shall be held in the Smyth County Board of Supervisors' Board Room, 121 Bagley Circle, Suite 100, Marion, Virginia, unless a different meeting place shall have been established and notice given and published as required by the Code of Virginia of 1950, as amended.

3.8 Open Meetings. All meetings shall be open to the public, provided that the Board may, for the purpose provided for in the Virginia Freedom of Information Act, upon motion made, seconded, and duly adopted, meet in executive session. No resolution, ordinance, rule, contract, regulation, or motion adopted, passed, or agreed to in executive or closed meeting shall become effective unless following such meeting the Board reconvenes in open meeting and, by affirmative vote of the members, such action, ordinance, rule, contract, regulation, or motion is approved in open session.

ARTICLE IV - Quorum and Actions

4.1 Quorum. A majority of all the members of the Board shall constitute a quorum. The Chairperson shall be included and counted in determining the presence or absence of a quorum.

4.2 Required Absence. No action shall be taken by the Board unless there shall be present at least a quorum, provided, however, that the temporary absence from the meeting room of members sufficient to constitute a quorum shall not be deemed to prevent the hearing of presentations of the discussion of matters submitted to the Board. The Clerk, County Administrator, or Deputy Clerk, shall suggest the absence of a quorum prior to taking of any action by the Board. Failure of the Clerk, County Administrator, or Deputy Clerk, or any other member to suggest the absence of a quorum shall not be deemed to alter the effect of this rule requiring a quorum as a prerequisite to any action.

4.3 Actions of the Board. Actions of the Board shall be taken in one of the following ways:

- 1) Ordinances. Where required by law, action shall be by the adoption of ordinances. Ordinances shall be proposed for adoption, notice given, and adoption accomplished as provided for by general law.
- 2) Resolutions. Where it is not required by law, or it is desired by the Board to act without the adoption of an ordinance, action may be taken by the adoption of a resolution.
- 3) Contracts. In certain instances, action may be required by contracts. Contracts shall be proposed in writing and a copy shall be delivered to the Clerk and all members of the Board, or a duly appointed committee of the Board, prior to proposing adoption by the Board. The County Attorney shall advise the Board on the legality of each contract prior to approval by the Board.
- 4) Motions. Where action of the Board is required on a matter simply stated, action may be taken by oral motion only.

4.4 Voting. Votes shall be taken on all motions made and seconded. However, a vote shall be taken if the question is called, unless a member objects, even if a motion to call the question has not been seconded.

4.5 Roll Call Vote. A voice roll call vote shall be taken at the request of any two or more members when such a request is made prior to the taking up of any other business, on any ordinance, or when required by law. A roll call vote by the recorded hand count of each member shall be taken on all other votes and contracts. *

**This section amended on March 8, 2016 regular Board of Supervisors meeting.*

4.6 Restating the Question; Amending the Motion. If requested by one or more Board members, the Chairperson shall restate the question prior to the taking of a vote, provided, however, that the Chairperson may request that another member restate the question if in his or her opinion that will expedite the decision thereof. Upon the second of a motion, a member may move for an amendment or substitution of the motion for either clarification or substantive change of the motion. A vote shall be taken on the amended or substituted motion. The approved motion shall then be put up for a vote.*

**This section amended on April 14, 2015 at the Annual Board of Supervisors Meeting.*

4.7 Unanimous Consent. Where no formal action is required, and no objection is heard, a request of a member shall be deemed a request of the Board without further action, when such a request is made at a meeting with a quorum present, and the Chairperson states that such a request shall be deemed a request of the Board.

4.8 Tie Votes. When a tie vote occurs:

- 1) If one or more Supervisors are absent, the question shall be passed by until the next meeting, regular or special, at which time it must be put to a vote again (even though all members

may not be present). If the tie remains unbroken, the Clerk must record the vote and the question shall be recorded as failing to carry.

2) If all Supervisors are present when the tie vote first occurs, even if a Supervisor abstains, the Clerk must record the vote and the question shall be recorded as failing to carry.

4.9 Reconsideration. If all members are present for a meeting, action may be reconsidered only upon a motion of a member voting with the prevailing side on the original vote, which motion must be made on the same or immediate subsequent regular meeting. A motion to reconsider may be seconded by any member. If a member was absent for the entire meeting when such action was taken, the absent member may make a motion to reconsider at the immediate subsequent regular meeting or a continuation of the present meeting, whichever next occurs. Action on a question pending reconsideration at the next meeting shall be taken only following notice to all members of the Board given prior to the action being reconsidered, unless such action is taken at the same meeting as the original action. In instances involving the reconsideration of the adoption of an ordinance, notice of the proposed option of a new ordinance shall be given in accordance with law prior to action on the reconsidered question.

4.10 Request for funds not budgeted: Request for funds not budgeted must be submitted in writing by filing the appropriate form, completely explaining the request for funds. This form can be obtained in the County Administrator's Office and is to be submitted to the County Administrator for review. The County Administrator will then forward the request to the Budget Committee which will make a recommendation to the Board.*

** This section amended June 26, 2008, continued Board of Supervisors meeting.*

** This section amended April 14, 2015 at the Annual Board of Supervisors meeting.*

ARTICLE V - Order of Business

5.1 Commencement of Meeting. At 4:00 p.m. to hold closed session and return to open session at 5:00 p.m. for public meeting and at the specified hour for continued or special meetings,

the presiding officer shall call the meeting to order, provide for the invocation, and direct the Clerk to note the presence or absence of members. A Quorum shall be required to commence the meeting at the appointed hour.*

**This section amended January 10, 2012, regular Board of Supervisors meeting.*

5.2 Agenda. The Chairperson, with the County Administrator, shall prepare an agenda for each meeting. Any member having matters he or she desires to have considered at the next meeting shall submit these items to the County Administrator for inclusion in the agenda. After the invocation, the first order of business shall be the adoption by the Board of the agenda for the meeting. Any member may request an item added to the agenda, but if two members object to consideration at the meeting it shall be retained on the agenda until the next meeting of the Board.

The agenda may contain matters carried over from previous meetings, under continued Board matters. These items shall be considered at the conclusion of the agenda for the particular meeting day, except at the direction of the Chairman, or at the request of two members.

5.3 Citizens' Time. There shall be an agenda item known as "Citizens' Time", which shall be scheduled from 5:15 p.m. to 5:30 p.m. to allow citizens to address the Board regarding any matter that is not an agenda item previously considered in an advertised public hearing. This shall consist of a fifteen (15) minute period and shall be divided among the citizens who desire to speak.

**This section amended January 10, 2012, regular Board of Supervisors meeting.*

**This section amended April 14, 2015 at the Annual Board of Supervisors meeting.*

5.4 Order on Agenda. After adoption of the agenda for the meeting, without requirement of suspension of the Rules or motion, the Chairperson may call items in the order of business in a different order than the order of business set forth on the agenda, provided that the Board may by adopted motion overrule such a decision by the Chairperson. The Chairperson shall make every reasonable effort not to change the designated time for citizen's time as set forth on the agenda. All public hearings shall be held at the designed time as provided in required notices, or as soon thereafter as may be heard. *

**This section amended October 11, 2011, regular Board of Supervisor meeting.*

5.5 Minutes. The Clerk shall keep the minutes of the meetings of the Board. At the request of any member, made at the time of said presentation of discussion, the minutes shall include a summary of the substance of the presentation or debate. The Clerk may also maintain one recording by means of an electronic device of the proceedings of all Board meetings except for Executive Sessions. A copy of the minutes of the transcribed proceedings shall be kept on file in the County Administrator's Office for the general public. Copies of documents or discs of recordings may be purchased under Smyth County's fee schedule pertaining to the Freedom of Information Act.*

** This section amended on April 14, 2015 at the Annual Board of Supervisors meeting.*

5.6 Approval of Minutes. The Clerk or Deputy Clerk shall promptly transcribe the minutes following completion of the meeting and shall submit copies to the County Administrator for distribution on or before the Friday preceding the meeting at which their approval will be on the agenda. Approval of the minutes shall be the next item on each agenda following the invocation and approval of the agenda, and shall be approved, or corrected and approved without reading.

5.7 Matters having to do with Agencies. Matters involving agencies which are not under the administrative supervision of the County Administrator shall not be placed on the agenda or considered by the Board until the affected agency shall have been given a reasonable opportunity to furnish the members of the Board with background information or data on issues which involve these agencies. Such information shall be delivered to the Clerk at least seven (7) days prior to a regular, special, or continued meeting date.

ARTICLE VI - Order in Conduct of Business

6.1 Persons Addressing the Board. These persons shall limit their presentation to the

time allotted by the Chairperson on the agenda, unless the Board, by majority consent, shall extend such time. The Chairperson, in fixing such time, shall take into account the complexity of the matter, its importance in relation to other business of the Board, and time available on the meeting date sought. Insofar as is practicable, persons addressing the Board shall furnish the Clerk and members of the Board with a written copy of their remarks.

6.2 Public Hearings. In instances in which persons address the Board, through the Chairperson, without having first been allotted a specific time on the agenda, they shall limit their remarks as follows, except in extraordinary circumstances:

- 1) Person speaking for himself or his immediate neighborhood - three (3) minutes.
- 2) Person speaking for an organization whose membership is representative of an entire district - five (5) minutes.
- 3) Person speaking for an organization whose membership is representative of the entire county - ten (10) minutes.
- 4) Except in emergency circumstances, no action shall be taken by the Board following a public hearing, and the issue shall be continued until the next regular meeting.

6.3 Recognition. Recognition shall be given only by the presiding officer. No person shall address the Board without having first been recognized. When all public testimony has concluded, and the Board is considering and discussing the matter, no person shall thereafter be recognized to address the Board.

6.4 Cumulative or Repetitive Testimony. Cumulative or repetitive testimony shall not be permitted on any matter, and persons of the same position as a previous speaker shall state their name and the positions with which they agree.

6.5 Questions. Questions by Board Members shall be reserved, insofar as possible, for the end of a presentation to avoid interrupting the speaker, disrupting the timekeeping process, and duplicating ground the speaker may cover.

6.6 Oaths and Affirmations. Oaths and Affirmations may be administered and taken by the Chairperson or person presiding in his stead, when a majority of the Board deems it appropriate to take sworn testimony. Such action may be taken by the adoption of a motion to place a specific individual under oath, or to place all of those who will speak to a given item of business under oath. The Chair may place an individual under oath at any time before or during his presentation. Any such person shall be deemed to remain under oath as to the matter with respect to which he was sworn, for the remainder of the duration of the meeting.

6.7 Discussion and Debate by the Board. Except at the conclusion of a public hearing, discussion and debate by the Board shall be conducted following the presentation of testimony on the item of business pending. Members shall not speak to the item until recognized by the Chair. A member who has spoken to the item shall not again be recognized until each other member desiring to speak shall have an opportunity to speak. Except in matters considered at a public hearing, after the Board shall have acted, any member shall have the right to state a protest against the action, and his reasons therefore, for a time not to exceed two (2) minutes.

ARTICLE VII - Decorum

7.1 By Board Members. Decorum shall be maintained in order to expedite disposition of the business before the Board. Questions and remarks shall be limited to those relevant to the pending business. Members shall not converse with other members or with other persons in any manner having a disturbing effect on the conduct of business. Members shall address all remarks to the Chairperson as presiding officer.

7.2 By Other Persons. Decorum shall be maintained by the Chair, who may request such assistance as to the Chairperson appears necessary.

1) Persons addressing the Board shall limit their remarks to those relevant to the pending items, and to answering questions. They shall address the Board as a whole, unless answering an individual member's questions. The presiding officer shall call the speaker to order, if out-of-order remarks, or other indecorous conduct persists, the presiding officer shall order the speaker from the lectern. The order with gavel, if not heeded, will then cause the Sheriff or his designee to carry out the order.

2) Persons whose allotted time to speak has expired shall be warned by the presiding officer to conclude in one minute, after which such person shall leave the lectern, unless he is asked by Chairperson to remain to answer questions from the Board.

3) No persons in attendance shall be allowed to voice remarks except as recognized by the presiding officer after audibly stating their name and who they represent. Groups in the audience creating an atmosphere detrimental or disturbing the conduct of the meeting will be asked to leave by the presiding officer.

4) No person shall bring into the Board Room any firearm, sign, banner, or other such item; provided, that models, photos, maps, charts, drawings, and other such demonstrative materials intended for use in a presentation by a specific person shall be permitted.

ARTICLE VIII - Miscellaneous

8.1 Roberts Rules of Order. The newly revised Roberts Rules of Order shall govern the conduct of all meetings of the Board to the extent that they are not inconsistent with these rules and the laws of the Commonwealth of Virginia. The Clerk shall make available at all meetings a copy of the newly revised Roberts Rules of Order. The failure of the Board to strictly comply with Roberts Rules of Order shall not invalidate any action of the Board.*

**Amended on April 14, 2015 at the Annual Board of Supervisors meeting.*

8.2 Amendment of the Rules. An amendment of the Rules may be accomplished by a majority vote of the entire membership, provided that such amendment may not be voted upon at any meeting unless the text of the proposed amendment has been presented to at least one previous meeting to which the date for a vote has also been established. Any proposed amendment shall be subject to further amendment at the meeting at which the vote is taken.

8.3 Suspension of the Rules. Suspension of the Rules may occur whenever the Board shall by a majority vote adopt a motion to suspend the rules. In such event, the rules shall be deemed suspended only with respect to the specific matter of question not then in accordance with the rules.

8.4 Electronic Participation. The Board of Supervisors of Smyth County hereby adopts the following policy to govern when Board of Supervisors members may electronically participate in a Board of Supervisors meeting remotely:

1. An emergency or personal matter:

- a. On or before the day of a meeting, the Member shall notify the Chair of the Board of Supervisors that such Member is unable to attend the meeting due to an emergency or personal matter. The Member must identify with specificity the nature of the emergency or personal matter. A Member may also notify the Chair of the Board of Supervisors that such Member is unable to attend the meeting due to a temporary or permanent disability or other medical condition that prevents the Member's physical attendance.

2. A temporary or permanent disability:

- b. On or before the day of a meeting, the Member shall notify the Chair of the Board of Supervisors that such Member is unable to attend the meeting due a temporary or permanent disability or other medical condition that prevents the Member's physical presence.

3. A quorum of the Board of Supervisors must be physically assembled at the primary or central meeting location. The Board of Supervisors members physically present must approve the absent Member's participation by a majority vote. The decision shall be made based solely on the criteria in this Resolution, without regard to the identity of the Member or the matters which will be considered or voted on during the meeting.
4. The Clerk shall record in the Board of Supervisors' minutes the specific nature of the emergency, personal matter, or disability; and the remote location from which the absent member participated. If the absent member's remote participation is disapproved because such participation would violate this policy, such disapproval shall be recorded in the minutes.
5. Participation by the absent member due to an emergency, personal matter, or disability shall be limited in each calendar year to two (2) meetings or twenty-five (25) percent of the meetings of the Board of Supervisors, whichever is fewer.
6. For any remote participation, the Board of Supervisors shall make arrangements for the voice of the remote participant(s) to be heard by all persons in attendance at the primary or central meeting location.
7. If any provision of this Policy is deemed inconsistent with the provisions of Section 2.2-3708.1 of the Code of Virginia, 1950, as amended, or other applicable law, that provision shall be deemed stricken and the provisions of Section 2.2-3708.1 of the Code of Virginia, 1950, as amended, or other applicable law shall apply.

BE IT RESOLVED BY THE SMYTH COUNTY BOARD OF SUPERVISORS:

That the Rules of Procedure for the County of Smyth, Virginia, adopted by Resolution on September 9, 2003, is and are hereby amended and adopted as set forth in this resolution. These amendments shall be effective immediately.

Presented on January, 9, 2018 amendments were duly considered and adopted by the Smyth County Board of Supervisors on January 9, 2018 the members voting:

AYES: 7

NAYS: 0

ABSENT: 0

Commonwealth of Virginia 2019 Pay and Holiday Calendar

State Holidays

January 1
New Year's Day
January 18
Lee-Jackson Day
January 21
Martin Luther King, Jr. Day
February 18
George Washington Day
May 27
Memorial Day
July 4
Independence Day
September 2
Labor Day
October 14
Columbus Day & Yorktown
Victory Day
November 11
Veterans Day
November 27
4 hours additional holiday time
November 28
Thanksgiving
November 29
Day After Thanksgiving
December 24
8 hours additional holiday time
December 25
Christmas

Please note: In some agencies, the holiday and payday schedule may vary from what is shown here. If you have questions, see your agency human resources officer.

Denotes Payday ☐

Denotes Holiday ☐

Denotes Additional Time Off ☐ 8 hrs ☐ 4 hrs

Denotes Payday on Holiday or Time Off ☐ ☐

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Virginia Department of
HUMAN RESOURCE
MANAGEMENT

January

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The Smyth County Board of Supervisors held its regular meeting at 4:00 p.m., **Tuesday, December 11, 2018**. 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, Park District Supervisor M. Todd Dishner; Vice Chairman, Rye Valley District Supervisor Rick K Blevins; Saltville District Supervisor Roscoe D Call; Royal Oak District Supervisor Judy Wyant (4)

ABSENT: North Fork District Supervisor Phil Stevenson; Chilhowie District Supervisor R. Curtis Rhea; and Atkins District Supervisor Charles Atkins (3)

STAFF: County Administrator Michael Carter; Assistant County Administrator Scott Simpson; County Attorney Jeff Campbell; Administrative Assistant Kelly Woods (4)

 11/14/2018 4:09 PM Chairman, Park District Supervisor M. Todd Dishner called the meeting to order. A motion was made by Rye Valley District Supervisor Rick K. Blevins to enter into closed session under Code of Virginia, Section 2.2-3711 — **A.1; Personnel Matters**; Discussion, consideration, or interviews of prospective candidates for employment and contracts **A.5; Industrial/Business Prospects**; discussion concerning a business or industry considering expansion with no previous announcement being made, **A.7 Legal**; discussion with legal counsel and staff pertaining to actual or probable litigation. Saltville District Supervisor Roscoe D. Call seconded the motion.


After consideration, the motion PASSED by the following vote:

AYES: Chairman, Park District Supervisor M. Todd Dishner,
Vice Chairman, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: None.

ABSENT: North Fork District Supervisor Phil Stevenson,
Atkins District Supervisor Charles Atkins and
Chilhowie District Supervisor R. Curtis Rhea.

 12/11/2018 4:53 PM Atkins District Supervisor Charles Atkins entered the meeting.

 12/11/2018 5:05 PM Chairman, Park District Supervisor M. Todd Dishner called the meeting back to order from Closed session.

PRESENT: Chairman, Park District Supervisor M. Todd Dishner; Vice Chairman, Rye Valley District Supervisor Rick K Blevins; Saltville District Supervisor Roscoe D Call; Atkins District Supervisor Charles Atkins; Royal Oak District Supervisor Judy Wyant (5)

ABSENT: North Fork District Supervisor Phil Stevenson; Chilhowie District Supervisor R. Curtis Rhea. (2)

STAFF: County Administrator Michael Carter; Assistant County Administrator Scott Simpson; County Attorney Jeff Campbell; Administrative Assistant Kelly Woods (4)

OTHERS: Deputy with the Smyth County Sheriff's Office, Stephanie Porter Nichols with Smyth County News and Messenger, and several citizens.

It was moved by Rye Valley District Supervisor Rick K. Blevins, seconded by Saltville District Supervisor Roscoe D. Call, to 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.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Park District Supervisor M. Todd Dishner,
Vice Chairman, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: Atkins District Supervisor Charles Atkins.

ABSENT: North Fork District Supervisor Phil Stevenson and
Chilhowie District Supervisor R. Curtis Rhea.

Lisa Richardson, Human Resource Manager gave the invocation and Manuel Street, GIS Coordinator led the Pledge of Allegiance.



12/11/2018 5:07 PM A motion was made by Saltville District Supervisor Roscoe D. Call, seconded by Atkins District Supervisor Charles Atkins to adopt the agenda and additional agenda as presented.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Park District Supervisor M. Todd Dishner,
Vice Chairman, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
Atkins District Supervisor Charles Atkins and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: None.

ABSENT: North Fork District Supervisor Phil Stevenson and
Chilhowie District Supervisor R. Curtis Rhea.



12/11/2018 5:07 PM It was moved by Saltville District Supervisor Roscoe D. Call, seconded by Rye Valley District Supervisor Rick K. Blevins to approve the minutes of the November 14th, 2018 meeting.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Park District Supervisor M. Todd Dishner,
Vice Chairman, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call and
Atkins District Supervisor Charles Atkins.

NAYS: Royal Oak District Supervisor Judy Wyant.

ABSTAINERS: None.

ABSENT: North Fork District Supervisor Phil Stevenson and
Chilhowie District Supervisor R. Curtis Rhea.



12/11/2018 5:07 PM Michael Carter, County Administrator presented the Board with information on the current FY2018-2019 Budget and a current month analysis for appropriations. Mr. Carter informed the Board that reports were missing due to the timing of taxes being received within the Treasurer's Office, and the information will be presented at a future meeting.



12/11/2018 5:12 PM It was moved by Saltville District Supervisor Roscoe D. Call, seconded by Rye Valley District Supervisor Rick K. Blevins to appropriate \$1,535,000.00 from the General Fund. The following is an explanation of the appropriations approved:

General County

Accounts Payable Listing:	\$810,037.33
Payroll:	\$705,435.09
Auto Draft Rural Development:	\$8,974.00
AEP/Century Link Bills:	\$25,000.00
County Administration Fund:	\$5,000.00
Minus Beginning Appropriation:	\$(42,098.73)
New Carryover:	\$22,652.31
Total County Appropriation:	\$1,535,000.00

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Park District Supervisor M. Todd Dishner,
Vice Chairman, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
Atkins District Supervisor Charles Atkins and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: None.

ABSENT: North Fork District Supervisor Phil Stevenson and
Chilhowie District Supervisor R. Curtis Rhea.

It was moved by Atkins District Supervisor Charles Atkins, seconded by Saltville District Supervisor Roscoe D. Call to appropriate \$410,000.00 from the General Fund for the Department of Social Services. The following is an explanation of the appropriations approved:

Social Services

(December 12-December 31, 2018)	\$ 350,000.00
(January 1-January 8, 2019)	\$ 60,000.00
Total Social Services:	\$ 410,000.00

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Park District Supervisor M. Todd Dishner,
Vice Chairman, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
Atkins District Supervisor Charles Atkins and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: None.

ABSENT: North Fork District Supervisor Phil Stevenson and
Chilhowie District Supervisor R. Curtis Rhea.

It was moved by Atkins District Supervisor Charles Atkins, seconded by Saltville District Supervisor Roscoe D. Call to appropriate \$4,270,000.00 from the General Fund for the Smyth County School Board Operating Fund. The following is an explanation of the appropriations approved:

Schools-Operating Fund

Instruction	\$ 3,000,000.00
Administration, Attendance, & Health	\$ 130,000.00
Transportation	\$ 290,000.00
Facilities	\$ 325,000.00
School Food Service	\$ 330,000.00
Technology	\$ 195,000.00
Total School Operating Fund:	\$4,270,000.00

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Park District Supervisor M. Todd Dishner,
Vice Chairman, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
Atkins District Supervisor Charles Atkins and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: None.

ABSENT: North Fork District Supervisor Phil Stevenson and
Chilhowie District Supervisor R. Curtis Rhea.

It was moved by Saltville District Supervisor Roscoe D. Call, seconded by Atkins District Supervisor Charles Atkins to appropriate \$2,500.00 from the General Fund for School Debt Service.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Park District Supervisor M. Todd Dishner,
Vice Chairman, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
Atkins District Supervisor Charles Atkins and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: None.

ABSENT: North Fork District Supervisor Phil Stevenson and
Chilhowie District Supervisor R. Curtis Rhea.

It was moved by Saltville District Supervisor Roscoe D. Call, seconded by Atkins District Supervisor Charles Atkins to appropriate \$97.60 from EDA Fund 4 for an open invoice.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Park District Supervisor M. Todd Dishner,
Vice Chairman, Rye Valley District Supervisor Rick K. Blevins,

Saltville District Supervisor Roscoe D. Call,
Atkins District Supervisor Charles Atkins and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: None.

ABSENT: North Fork District Supervisor Phil Stevenson and
Chilhowie District Supervisor R. Curtis Rhea.

It was moved by Saltville District Supervisor Roscoe D. Call, seconded by Atkins District Supervisor Charles Atkins to appropriate \$5,304.61 from the Sheriff's Fund 748 for open invoices.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Park District Supervisor M. Todd Dishner,
Vice Chairman, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
Atkins District Supervisor Charles Atkins and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: None.

ABSENT: North Fork District Supervisor Phil Stevenson and
Chilhowie District Supervisor R. Curtis Rhea.

It was moved by Atkins District Supervisor Charles Atkins, seconded by Saltville District Supervisor Roscoe D. Call to appropriate \$609.50 from Fund 749 for Drug Recovery Court open invoices.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Park District Supervisor M. Todd Dishner,
Vice Chairman, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
Atkins District Supervisor Charles Atkins and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: None.

ABSENT: North Fork District Supervisor Phil Stevenson and
Chilhowie District Supervisor R. Curtis Rhea.

It was moved by Rye Valley District Supervisor Rick K. Blevins, seconded by Saltville District Supervisor Roscoe D. Call to appropriate \$35,220.92 from Fund 307 for the Adwolfe Sewer Project.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Park District Supervisor M. Todd Dishner,
Vice Chairman, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
Atkins District Supervisor Charles Atkins and
Royal Oak District Supervisor Judy Wyant.


NAYS: None.

ABSTAINERS: None.

ABSENT: North Fork District Supervisor Phil Stevenson and
Chilhowie District Supervisor R. Curtis Rhea.

 12/11/2018 5:15 PM Chairman, Park District Supervisor M. Todd Dishner opened Citizens Time.

No one was signed up to speak, however, Citizen's time remained open while other business was discussed should anyone wish to speak.

 12/11/2018 5:15 PM Atkins District Supervisor Charles Atkins brought forward the following recommendation from the Animal Control Committee.

Item #1: It is the Committee's recommendation to approve payment of the following claim totaling \$400.00 (appropriated from the Animal Control, Claims & Bounties #003-091060-5802).

	<u>NAME</u>	<u>APPROVED</u>
1)	Lib Burress-One (1) Holstein Steer	\$400.00

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Park District Supervisor M. Todd Dishner,
Vice Chairman, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
Atkins District Supervisor Charles Atkins and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: None.

ABSENT: North Fork District Supervisor Phil Stevenson and
Chilhowie District Supervisor R. Curtis Rhea.

Item #2: It is the Committee's recommendation to assign funds received from the sale of Animal Friendly Plates by the DMV to the Smyth County Humane Society in the amount of \$450.00.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Park District Supervisor M. Todd Dishner,
Vice Chairman, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
Atkins District Supervisor Charles Atkins and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: None.

ABSENT: North Fork District Supervisor Phil Stevenson and
Chilhowie District Supervisor R. Curtis Rhea.

Rye Valley District Supervisor Rick K. Blevins brought forward the following recommendations from the Appointment Committee. Mr. Blevins stated that he felt it was an expectation for each Board Member that is appointed to a Committee/Board to attend the meetings.

Item #1: It is the Committee's recommendation to reappoint Charles Atkins to the District Three Governmental Cooperative Board for a three (3) year term, beginning July 1, 2019 and ending December 31, 2021.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Park District Supervisor M. Todd Dishner,
Vice Chair, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
Atkins District Supervisor Charles Atkins and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: None.

ABSENT: North Fork District Supervisor Phil Stevenson and
Chilhowie District Supervisor R. Curtis Rhea.

Item #2: It is the committee's recommendation to appoint Joanne Groseclose, 241 Magnolia Street, Marion to the Mt. Rogers Community Services Board for a three (3) year term, beginning January 1, 2019 and ending December 31, 2021.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Park District Supervisor M. Todd Dishner,
Vice Chair, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
Atkins District Supervisor Charles Atkins and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: None.

ABSENT: North Fork District Supervisor Phil Stevenson and
Chilhowie District Supervisor R. Curtis Rhea.

Item #3: It is the Committee's recommendation to appoint Jeffrey Dunnack, Production Manager at Scholle IPN, as a member to the New River/Mt. Rogers Workforce Development Board for a three (3) year term beginning January 1, 2019 and ending December 31, 2021.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Park District Supervisor M. Todd Dishner,
Vice Chair, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
Atkins District Supervisor Charles Atkins and

Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: None.

ABSENT: North Fork District Supervisor Phil Stevenson and
Chilhowie District Supervisor R. Curtis Rhea.

Item #4: It is the Committee's recommendation to re-appoint Royal Oak District Supervisor Judy Wyant, 1494 Scratch Gravel Road, Marion, as a member to the New River/Mt. Rogers Workforce Investment Area Consortium Board under a (1) year term beginning January 1, 2019 and ending December 31, 2019, with Atkins District Supervisor Charles Atkins serving as an alternate.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Park District Supervisor M. Todd Dishner,
Vice Chair, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
Atkins District Supervisor Charles Atkins and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: None.

ABSENT: North Fork District Supervisor Phil Stevenson and
Chilhowie District Supervisor R. Curtis Rhea.

Item #5: It is the Committee's recommendation to reappoint Curtis Pennington to the Smyth-Wythe Airport Commission for a four (4) year term, beginning January 1, 2019 and ending December 31, 2022.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Park District Supervisor M. Todd Dishner,
Vice Chair, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
Atkins District Supervisor Charles Atkins and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: None.

ABSENT: North Fork District Supervisor Phil Stevenson and
Chilhowie District Supervisor R. Curtis Rhea.

Item #6: It is the Committee's recommendation to appoint G. Blake Frazier, P.O. Box 91, Marion to the Community Policy Management Team, filling the remainder of the term for Teresa Wilkerson, which will expire June 30, 2019.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Park District Supervisor M. Todd Dishner,
Vice Chair, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call and
Atkins District Supervisor Charles Atkins.

NAYS: Royal Oak District Supervisor Judy Wyant.

ABSTAINERS: None.

ABSENT: North Fork District Supervisor Phil Stevenson and
Chilhowie District Supervisor R. Curtis Rhea.

Scott Simpson, Assistant County Administrator presented the following recommendations from the Building and Grounds Committee.

Item #1: It is the Committee's recommendation to reject the bid received from Mt. Rogers Community Services Board in the amount of \$91,415.00 for the Cornerstone Building that was advertised for sealed bids.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Park District Supervisor M. Todd Dishner,
Vice Chair, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
Atkins District Supervisor Charles Atkins and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: None.

ABSENT: North Fork District Supervisor Phil Stevenson and
Chilhowie District Supervisor R. Curtis Rhea.

Item #2: Currently Smyth County has a contract for HVAC services for all buildings, for a total of five (5) years, renewing annually. It is the Committee's recommendation to rebid the HVAC contract, due to the last renewal being March 2019.


After consideration, the motion PASSED by the following vote:


AYES: Chairman, Park District Supervisor M. Todd Dishner,
Vice Chair, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
Atkins District Supervisor Charles Atkins and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.


ABSTAINERS: None.

ABSENT: North Fork District Supervisor Phil Stevenson and
Chilhowie District Supervisor R. Curtis Rhea.

 12/11/2018 5:27 PM With no one wishing to speak, Chairman, Park District Supervisor M. Todd Dishner closed Citizens Time.

 12/11/2018 5:28 PM Chairman, Park District Supervisor M. Todd Dishner presented Mayville Engineering Company Representative, Frank Castanon with an incentive check in the amount of \$323,200.00. Mr. Dishner informed the Board that MEC had met certain requirements set forth in their

Performance Agreement, allowing for the incentive payment. Mr. Dishner thanked Mr. Castanon for being a valuable employer located in Smyth County.

 12/11/2018 5:31 PM Rye Valley District Supervisor Rick K. Blevins made a motion to approve the Speyside Commonwealth Opportunity Fund and Tobacco Region Opportunity Fund Agreements as presented by County Attorney, Jeff Campbell (**Attachment #1 and #2**). Saltville District Supervisor Roscoe D. Call seconded the motion.


After consideration, the motion PASSED by the following vote:

AYES: Chairman, Park District Supervisor M. Todd Dishner,
Vice Chair, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
Atkins District Supervisor Charles Atkins and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: None.

ABSENT: North Fork District Supervisor Phil Stevenson and
Chilhowie District Supervisor R. Curtis Rhea.

 12/11/2018 5:32 PM Rye Valley District Supervisor Rick K. Blevins made a motion to approve a Commonwealth Opportunity Fund Performance agreement with an unnamed business as discussed during closed session. Saltville District Supervisor Roscoe D. Call seconded the motion.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Park District Supervisor M. Todd Dishner,
Vice Chair, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
Atkins District Supervisor Charles Atkins and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: None.

ABSENT: North Fork District Supervisor Phil Stevenson and
Chilhowie District Supervisor R. Curtis Rhea.

 12/11/2018 5:32 PM Michael Carter, County Administrator presented a Resolution as shown below for Broadband services and read aloud for the record (below is altered resolution per motion).

A RESOLUTION

APPROVING THE FILING OF A GRANT APPLICATION WITH THE TOBACCO REGIONAL REVITALIZATION COMMISSION

WHEREAS, The Tobacco Region Revitalization Commission (TRRC) will accept applications for a second round of Last Mile Broadband (LMB) funding in Spring 2019 for up to \$5 million and will be made available for assisting in the construction of "last-mile" broadband telecommunications infrastructure in the unserved areas of the tobacco region. Guidelines for the grant applications were posted in November of 2018 and the deadline for pre-applications has been set for December 21, 2018; and

WHEREAS, the program guidelines for grant applications, requires a government entity as the applicant with a qualified and experienced private sector broadband provider as the co-applicant; and

WHEREAS, Comcast Corporation has recently considered plans to provide service to an unserved area in the eastern end of the Smyth County. This project will bring high speed internet to the selected portion of Smyth County.

NOW THEREFORE BE IT RESOLVED, the Board of Supervisors of the County of Smyth does hereby approve the submittal of a grant pre-application to the Tobacco Region Revitalization Commission to assist in constructing "last-mile" broadband telecommunications infrastructure in a portion of the unserved areas of the tobacco region.

AND FURTHER IT BE RESOLVED, by adoption of this resolution, the Board of Supervisors of Smyth County authorizes the County Administrator to take such action necessary to file the grant pre-application with the Tobacco Commission identifying the co-applicant as Comcast Corporation.

ADOPTED this 11th day of December, 2018.

Recorded Vote

A COPY TEST:

Moved by:

Seconded by:

Yeas:

Nays:

Michael L. Carter, County Administrator

Royal Oak District Supervisor Judy Wyant questioned why Comcast was chosen as the joint-applicant.

Atkins District Supervisor Charles Atkins made a motion to adopt the Resolution as presented, with a change being made to the wording in paragraph four (4). Saltville District Supervisor Roscoe D. Call seconded the motion.

After consideration, the motion PASSED by the following vote:


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

Saltville District Supervisor Roscoe D. Call,
Atkins District Supervisor Charles Atkins and
Royal Oak District Supervisor Judy Wyant.

NAYS: None.

ABSTAINERS: None.


ABSENT: North Fork District Supervisor Phil Stevenson and
Chilhowie District Supervisor R. Curtis Rhea.

 12/11/2018 5:42 PM Tom Burkett, Smyth County Treasurer spoke and provided an update to the Board of Supervisors on the delinquent County taxes. Mr. Burkett explained the process the Treasurer's Office takes to try and collect the delinquent taxes.

Several Board Members asked Mr. Burkett questions concerning the delinquent taxes and the handling of documents within the Treasurer's Office.

Royal Oak District Supervisor Judy Wyant questioned the Budget Planning process and asked Mr. Burkett if the Treasurer's Office was a part of the process.

 12/11/2018 5:53 PM Chilhowie District Supervisor R. Curtis Rhea entered the meeting.

 12/11/2018 6:03 PM Emily Viers, Robinson, Farmer and Cox Accounting Firm presented the Audit for the County for the Fiscal Year ending June 30, 2018. Ms. Viers highlighted a few items including an increase in the unrestricted fund balance for the fourth year in a row. The audit, federal programs and procurement process has an unqualified opinion, which means there were no material weaknesses found within the audit. Ms. Viers asked for the Board Members to review the document in full and notify their firm should they have any questions.

 12/11/2018 6:27 PM Supervisor Comment Time:

Royal Oak District Supervisor Judy Wyant thanked everyone who attended the meeting.

Rye Valley District Supervisor Rick K. Blevins stated the he appreciates everyone and wished everyone a nice Holiday season.


Atkins District Supervisor Charles Atkins stated that he hoped everyone had a nice Christmas.

Chilhowie District Supervisor R. Curtis Rhea apologized for being late to the meeting.

Saltville District Supervisor Roscoe D. Call wished everyone a Merry Christmas.

Park District Supervisor M. Todd Dishner stated that he appreciates everyone in attendance of the meeting and wished everyone a Merry Christmas.

 12/11/2018 6:30 PM Chairman, Park District Supervisor M. Todd Dishner continued the meeting to December 27th, 2018 at 7:00 P.M.

 12/11/2018 6:30 PM Meeting Adjourned.

COMMONWEALTH'S DEVELOPMENT OPPORTUNITY FUND**PERFORMANCE AGREEMENT**

This **PERFORMANCE AGREEMENT** ("this Agreement") is made and entered this ____ day of August, 2018, by and among the **COUNTY OF SMYTH, VIRGINIA** (the "Locality"), a political subdivision of the Commonwealth of Virginia (the "Commonwealth"), **SPEYSIDE BOURBON COOPERAGE, INC.** (the "Parent Company"), an Ohio corporation authorized to transact business in the Commonwealth, **SBCIVA INC.**, a Virginia corporation and wholly owned subsidiary of Parent Company (the "Company"), the **SMYTH-WASHINGTON REGIONAL INDUSTRIAL FACILITIES AUTHORITY** (the "Authority"), a political subdivision of the Commonwealth, and the **VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP AUTHORITY** ("VEDP"), a political subdivision of the Commonwealth.

WITNESSETH:

WHEREAS, the Locality has been awarded a grant of and expects to receive \$325,000 from the Commonwealth's Development Opportunity Fund (a "COF Grant") through VEDP for the purpose of inducing the Parent Company, through the Company as its wholly owned subsidiary, to renovate, equip, improve, and operate a cooperage facility in the Locality (the "Facility"), thereby making a significant Capital Investment, and creating and Maintaining a significant number of New Jobs, as such capitalized terms are hereinafter defined;

WHEREAS, the Locality is willing to provide the funds to the Authority with the expectation that the Authority will provide the funds to the Company, provided that the Company promises to meet certain criteria relating to Capital Investment and New Jobs;

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

WHEREAS, the acquisition, renovation, equipping, improvement, and operation of the Facility will entail a capital expenditure by or on behalf of the Company of approximately \$26,000,000, of which approximately \$18,000,000 will be invested in machinery and tools, approximately \$500,000 will be invested in furniture, fixtures and equipment, \$2,075,000 is invested in the purchase of an existing building located at 6373 Lee Highway, Atkins, VA (the "Acquisition Cost"), and approximately \$5,500,000 will be invested in the renovation and up-fit of the building;

WHEREAS, the acquisition, renovation, equipping, improvement, and operation of the Facility will further entail the creation and Maintenance 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 COF Grant:

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. The purchase or lease of machinery and tools or furniture, fixtures, and equipment, including under an operating lease, and the purchase of the building and expected building renovation and up-fit by or on behalf of the Company will qualify as Capital Investment. The Capital Investment must be in addition to the capital improvements at the Facility as of July 1, 2018; provided, however, the Company’s Capital Investment shall include and be credited with the Acquisition Cost which was made by the Company on June 14, 2018.

“Initial Performance Date” means December 31, 2022. Upon the written request of the Company for an extension, 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 request an extension of the Initial Performance Date by up to 15 months. Any extension of the Initial Performance Date shall require the prior approval of the Board of Directors of VEDP (the “Board”). If the 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 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 provided by the Company for the employee, and for which the Company pays an average annual wage of at least \$30,173. Average annual wage means the average annual salary of full-time positions at the Facility determined by dividing total payroll (of a type included in W-2 compensation) provided to full-time positions at the Facility by the number of full-time positions at the Facility. 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, 2026, unless the Initial Performance Date has been extended. If the Initial Performance Date has been extended, the Subsequent Performance shall be four 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 \$26,000,000 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 as of the Subsequent Performance Date.

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

Section 2. Targets; Statutory Criteria.

(a) *Targets:* The Company will acquire, renovate, equip, improve, and operate the Facility in the Locality, make a Capital Investment of at least \$26,000,000, 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 as of the Subsequent Performance Date.

(c) *Prevailing Wage; Unemployment and Poverty Rates:* The average annual wage of the New Jobs of at least \$30,173 is less than the prevailing average annual wage in the Locality of \$34,227, but is more than 85% of that prevailing average annual wage (\$29,093). The Locality is a high-unemployment locality, with an unemployment rate for 2017, which is the last year for which such data is available, of 5.4% as compared to the 2017 statewide unemployment rate of 3.8%. The Locality is a high-poverty locality, with a poverty rate for 2016, which is the last year for which such data is available, of 18.1% as compared to the 2016 statewide poverty rate of 11.0%.

(d) *Disclosure of Political Contributions:* The Company acknowledges that the name of the Company will be shared by VEDP with the Governor of Virginia, and any campaign committee or political action committee associated with the Governor. The Company acknowledges that within 18 months of the date of this Performance Agreement, the Governor, his campaign committee, and his political action committee will submit to the Virginia Conflict of Interest and Ethics Advisory Council a report listing any contribution, gift, or other item with a value greater than \$100 provided by the Company to the Governor, his campaign committee, or his political action committee, respectively, during the period from the date of the Company's application for the COF Grant through the one-year period immediately after the date of this Agreement.

Section 3. Disbursement of COF Grant.

(a) *Disbursement of the COF Grant:* By execution and delivery of this Agreement, the Locality requests that the COF Grant be disbursed to it. VEDP will promptly arrange for the payment of the \$325,000 COF Grant to the Locality.

The disbursement of the COF Grant proceeds to the Company will serve as an inducement to the Company to achieve the Targets.

The COF Grant proceeds shall be retained by the Locality and shall be disbursed in one payment as follows:

Within 90 days after the Initial Performance Date, by completing and filing the report described in Section 5(b), the Company will provide notice and evidence reasonably satisfactory to the Locality, the Authority, and VEDP of the amount of Capital Investments that it has made through the Initial Performance Date and the number of New Jobs created and Maintained through the Initial Performance Date. Such evidence will be subject to verification by the Locality and VEDP.

If the Company has not made Capital Investments of at least \$1,500,000 and created and Maintained at least 15 New Jobs as of the Initial Performance Date, it will not receive any of the proceeds of the COF Grant. These are the statutory minimum requirements for a COF Grant under the Virginia Code for a project located in the Locality.

If the Company has made Capital Investments of at least \$26 million and created and Maintained at least 125 New Jobs as of the Initial Performance Date, it will receive all \$325,000 of the proceeds of the COF Grant.

The COF Grant is to be allocated as 50% (\$162,500) for the Company's Capital Investment Target, and 50% (\$162,500) for the Company's New Jobs Target. If the Company met the statutory minimum requirements set forth in the second prior paragraph, but has not fully achieved the Targets, the Company will not receive that part of the COF Grant that is proportional to the Target or Targets for which there is a shortfall. For example, if as of the Initial Performance Date, only \$19,500,000 of the Capital Investment has been retained (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 will receive \$121,875 (reflecting 75% of the \$162,500 allocated to the Capital Investment Target), *plus* \$130,000 (reflecting 80% of the \$162,500 allocated to the New Jobs Target), for a total of \$251,875. These amounts reflect the percentages of the shortfall from the expected amount of Capital Investment and expected number of New Jobs, each multiplied by the portion of the COF Grant proceeds available to the Company allocated to that Target.

Within 30 days of the verification, if any portion of the COF Grant proceeds has been earned by the Company, the Locality will disburse the amount earned to the Authority. Within 30 days of its receipt of such COF Grant proceeds, the Authority will disburse such COF Grant proceeds to the Company.

Within 30 days of the verification, if any portion of the COF Grant proceeds has not been earned by the Company, the Locality shall return to VEDP the amount not earned, for redeposit to the Commonwealth's Development Opportunity Fund.

(b) *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 will not receive any of the proceeds of the COF Grant, and, within 90 days of the Determination Date, the Locality will repay to VEDP all of the COF Grant proceeds. Such a determination will be based only 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 that the Company will be unable or is unwilling to satisfy the Targets for the COF Grant.

(c) *Use of the COF Grant Proceeds:* The Company will use the COF Grant proceeds to pay or reimburse the cost of build-out of a privately owned building for the Facility, as permitted by Section 2.2-115(D) of the Virginia Code.

(d) *Material Reliance on COF Grant:* The Locality, the Authority and the VEDP acknowledge that the COF Grant was a material inducement to the Parent Company's and the Company's decision to locate taxable assets and employ persons in the Locality and notwithstanding anything else to the contrary herein, the Locality, the Authority and the VEDP covenant to promptly disburse the COF Grant upon the terms herein provided. Failure by the Locality, the Authority or the VEDP to disburse the Grant as herein provided, once earned by the Company under this Section 3 of this Agreement, shall constitute an event of default by the Locality, the Authority or the VEDP, as the case may be.

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

(a) *State-Level 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 COF Grant. With regard to the Facility, the Commonwealth expects to provide incentives in the following amounts:

Category of Incentive:

Total Amount

COF Grant	\$325,000
Virginia Jobs Investment Program ("VJIP") (Estimated)	87,500
Tobacco Region Opportunity Fund Grant ("TROF")	415,000
Enterprise Zone Real Property Investment Grant ("EZRPIG") (Estimated)	200,000
Enterprise Zone Job Creation Grant ("EZJCG") (Estimated)	457,600

The proceeds of the COF Grant shall be used for the purposes described in Section 3(c). 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, the EZRPIG, and the EZJCG may be used by the Company for any lawful purpose.

(b) *Locality-Level Incentives:* The Locality expects to provide the following incentives, as matching grants or otherwise, for the Facility by the Performance Date:

<u>Category of Incentive:</u>	<u>Total Amount</u>
Highlands Business Park Land Donation ("Land Donation") (Estimated)	\$750,000

The value of the Land Donation reflects the Locality's share of the cost of the land owned by the Authority to be transferred to Speyside Bourbon Stave Mill in Virginia at Glade Spring, Inc., a Virginia corporation and wholly owned subsidiary of the Parent Company, by a separate performance agreement, and shall represent a cost savings to the Company.

(c) *Other Incentives:* This Agreement relates solely to the COF Grant. The qualification for, and payment of all other State-Level Incentives and Locality-Level Incentives, except for the COF Grant, will be governed by separate arrangements between the Company and the entities offering the other incentives.

Section 5. Company Reporting.

(a) *Progress Reporting:* The Company shall provide, at the Company's expense, in the form attached hereto as Exhibit A, 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, starting at March 31, 2020, and covering the period through the prior December 31. Further, the Company shall 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 or, as applicable, shall provide to VEDP a copy of its Virginia income tax form filed with respect to its status as a pass-through entity. VEDP hereby represents 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.

(b) *Initial Performance Date Performance Report:* The Company shall provide, at the Company's expense, in the form attached hereto as Exhibit B, detailed verification reasonably satisfactory to the Locality, the Authority and VEDP of the Company's achievement of the Targets as of the Initial Performance Date. The Initial Performance Date Performance Report shall be filed within 90 days after the Initial Performance Date.

(c) *Subsequent Performance Date Performance Report:* The Company shall provide a letter certifying the number of New Jobs Maintained at the Facility as of the Subsequent Performance Date. Such certification shall be filed within 90 days after the Subsequent Performance Date.

Section 6. Verification of Targets.

(a) *Verification of Capital Investment:* The Company hereby authorizes the Locality, including the Locality's Commissioner of the Revenue and Treasurer, to release to VEDP the Company's real estate tax, business personal property tax and machinery and tools tax information. Such information shall be marked and considered confidential and proprietary and shall be used by VEDP solely for verifying satisfaction of the Capital Investment Target. If the Locality, the Office of the Commissioner of the Revenue or the Office of the Treasurer should require additional documentation or consents from the Company to access such information, the Company shall promptly provide, at the Company's expense, such additional documentation or consents as the Locality, the Authority, or VEDP may request. In accordance with Virginia Code Section 58.1-3122.3, VEDP is entitled to receive the Company's real estate tax, business personal property tax and machinery and tools tax information from the Locality's Commissioner of the Revenue.

In addition to the verification data described above, in the sole discretion of the Locality, the Authority, or VEDP, the Locality, the Authority, or VEDP, may each require such other documentation, including invoices, or audits as may be reasonably required to properly verify the Capital Investment.

(b) *Verification of New Jobs and Wages:* The Company must submit a copy of its four most recent Employer's Quarterly Tax Report (Form FC-20) with the Virginia Employment Commission with the reports filed for the Initial Performance Date and the Subsequent Performance Date, as described in Sections 5(b) and (c). The forms shall be marked and considered confidential and proprietary and shall be used by VEDP solely for verifying satisfaction of the New Jobs Target. In accordance with Virginia Code Section 60.2-114, VEDP is entitled to receive the Company's employment level and wage information from the Virginia Employment Commission.

The Company agrees that it will report to the Virginia Employment Commission with respect to its employees at a facility-level, rather than at the company-level.

In addition to the verification data described above, in the sole discretion of the Locality, the Authority, or VEDP, the Locality, the Authority or VEDP, may each require such other documentation or audits as may be reasonably required to properly verify the New Jobs.

Section 7. Repayment Obligation.

(a) *Further Performance Target for the Maintenance of the New Jobs:* If, pursuant to Section 3(a), the Company received all \$162,500 of the COF Grant allocated to the New Jobs Target, the Company may 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 received all of the proceeds of the COF Grant allocated to the New Jobs Target, but has not Maintained at least 113 New Jobs (90.4% of 125 the New Jobs Target) through the Subsequent Performance Date, the Company shall repay to the Authority that part of COF Grant that is proportional to the shortfall from the 125 New Jobs Target. 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 \$65,000, reflecting 40% of the COF Grant proceeds that it received allocated to the New Jobs Target.

(b) *Repayment:* The Company shall be liable for any repayment of all or a portion of the COF Grant, as described in this Section 7. ***Such repayment shall be due from the Company to the Authority within ninety days of the Subsequent Performance Date.*** Any moneys repaid by the Company to the Authority hereunder shall be repaid by the Authority to the Locality and shall be repaid by the Locality promptly to VEDP for redeposit into the Commonwealth's Development Opportunity Fund. The Locality and the Authority shall use their best efforts to recover such funds, including legal action for breach of this Agreement. The Locality shall reimburse the Authority for any and all costs the Authority incurs in any such recovery effort, including without limitation reasonable attorneys and consultants fees. Neither the Locality nor the Authority shall have any responsibility for the repayment of any sums payable by the Company hereunder unless said sums have been received by the Authority from the Company.

(c) *Failure to Repay:* If any repayment due pursuant to this Section 7 is not made by the Company when due, the Board of Directors of VEDP (the "Board") may determine that further collection action is required, and the Board may refer the matter to the Office of the Attorney General (the "OAG") for collection pursuant to Section 2.2-518 of the Virginia Code. In such event, by their signatures below, the Locality and the Authority will be deemed to have assigned to the Commonwealth all of their rights, title and interest in and to this Section 7. In any matter referred to the OAG for collection, the Company shall be liable to pay interest, reasonable attorney fees and applicable court filing fees associated with said OAG collection efforts. Interest on any outstanding repayment referred to the OAG shall accrue at the rate set forth in Section 6.2-301 A. of the Virginia Code (currently 6.0% per year) for the period from the Subsequent Performance Date until paid.

Section 8. Notices.

Formal notices and communications between the Parties shall be given either by (i) personal service, (ii) delivery by a reputable document delivery service that provides a receipt showing date and time of delivery, (iii) mailing utilizing a certified or first class mail postage prepaid service of the United States Postal Service that provides a receipt showing date and time of delivery, or (iv) delivery by facsimile or electronic mail (email) with transmittal confirmation and confirmation of delivery, addressed as noted below. Notices and communications personally delivered or delivered by document delivery service shall be deemed effective upon receipt. Notices and communications mailed shall be deemed effective on the second business day following deposit in the United States mail. Notices and communications delivered by facsimile or email shall be deemed effective the next business day, not less than 24 hours, following the date of transmittal and confirmation of delivery to the intended recipient. Such written notices and communications shall be addressed to:

if to the Parent Company, to:

Speyside Bourbon Cooperage, Inc.
P. O. Box 509
960 East Main Street
Jackson, Ohio 45640
Email: dwhitmer@speysidebci.com
Attention: Darren Whitmer, Vice
President and General Manager

with a copy to:

Snyder & Snyder, PLC
P.O. Drawer 635
316 Commercial Avenue
Clifton Forge, VA 24422
Facsimile: (540) 862-5703
Email: meade@snyderplc.com
Attention: R. Meade Snyder, Esq.

if to the Company, to:

SBCIVA INC.
P. O. Box 509
960 East Main Street
Jackson, Ohio 45640
Email: dwhitmer@speysidebci.com
Attention: Darren Whitmer, Vice
President

with a copy to:

Snyder & Snyder, PLC
P.O. Drawer 635
316 Commercial Avenue
Clifton Forge, VA 24422
Facsimile: (540) 862-5703
Email: meade@snyderplc.com
Attention: R. Meade Snyder, Esq.

if to the Locality, to:

County of Smyth, Virginia
121 Bagley Circle, Suite 100
Marion, Virginia 24354
Facsimile: 276.783.9314
Email: mcarter@smythcounty.org
Attention: Michael L. Carter, County
Administrator

with a copy to:

Jeffrey L. Campbell, Esq.
Campbell Law Firm
117 N. Park Street
Marion, VA 24354
jeff@campbelllawfirmva.com

if to the Authority, to:

Smyth-Washington Regional Industrial
Facilities Authority
1021 Terrace Drive
Marion, VA 24354
Facsimile: 276.783.6949
Email: asizemore@mrpdc.org
Attention: Aaron Sizemore

with a copy to:

Thomas Dene, Esq.
DENE & DENE, P.C.
138 Court Street, NE
Abingdon, VA 24210
dene.dene.pc@gmail.com

if to VEDP, to:

Virginia Economic Development Partnership
One James Center, Suite 900
901 East Cary Street
Richmond, Virginia 23219
Facsimile: 804.545.5611
Email: moret@vedp.org
Attention: President and CEO

with a copy to:

Virginia Economic Development Partnership
One James Center, Suite 900
901 East Cary Street
Richmond, Virginia 23219
Facsimile: 804.545.5611
Email: smcninch@vedp.org
Attention: General Counsel

Section 9. Guaranty by Parent Company.

Parent Company hereby guaranties the timely and completed performance of the covenants, agreements, duties and obligations of the Company under this Agreement, provided however, that Parent Company's obligations shall only arise following the default by the Company in its performance of said covenants, agreements, duties and obligations. In the event of any such default by the Company, the Company and Parent Company shall be jointly and severally liable for the duties and obligations of the Company under this Agreement.

Section 10. Miscellaneous.

(a) *Entire Agreement; Amendments:* This Agreement constitutes the entire agreement among the parties hereto as to the COF Grant and may not be amended or modified, except in writing, signed by each of the parties hereto. This Agreement 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 and obligations under this Agreement without the prior written consent of the Locality, the Authority and VEDP.

(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 City of Richmond, and such litigation shall be brought only in such court; provided, however, in the event VEDP, the Locality and the Authority elect, jurisdiction and venue for any litigation arising out of or involving this Agreement shall lie in the Circuit Court of the Smyth County, and, in the event of such election, such litigation shall be brought only in the Circuit Court of Smyth County.

(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:* Except as provided in Section 7(c), attorney's fees shall be paid by the party incurring such fees.

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

COUNTY OF SMYTH, VIRGINIA

By _____
Name: _____
Title: _____
Date: _____

**SMYTH-WASHINGTON INDUSTRIAL
FACILITIES AUTHORITY**

By _____
Henry Snodgrass, Chairman
Board of Directors
Date: _____

Speyside Bourbon Cooperage, Inc.

By _____
Name: _____
Title: _____
Date: _____

SBCIVA INC.

By _____
Name: _____
Title: _____
Date: _____

**VIRGINIA ECONOMIC
DEVELOPMENT PARTNERSHIP
AUTHORITY**

By _____
Name: _____
Title: _____
Date: _____

Exhibit A: Annual Progress Report Form
Exhibit B: Final Report Form

ANNUAL PROGRESS REPORT COMMONWEALTH'S DEVELOPMENT OPPORTUNITY FUND

PROJECT SUMMARY:

Project	
Location	
Amount of Grant	
Performance Reporting Period	
Performance Date	

PROJECT PERFORMANCE:

Performance Measurement	Target	As of _____	% Complete
New Jobs (over 0 baseline)¹			
Confidence level target will be reached by Performance Date shown above (check one)	High <input type="checkbox"/>	Moderate <input type="checkbox"/>	Low <input type="checkbox"/>
Capital Investment (provide breakdown below)²			
Confidence level target will be reached by Performance Date shown above (check one)	High <input type="checkbox"/>	Moderate <input type="checkbox"/>	Low <input type="checkbox"/>
Average Annual Wage			N/A
Confidence level target will be reached by Performance Date shown above (check one)	High <input type="checkbox"/>	Moderate <input type="checkbox"/>	Low <input type="checkbox"/>
Standard Fringe Benefits (check one)	Yes <input type="checkbox"/>	No <input type="checkbox"/>	N/A
Virginia Corporate Income Tax Paid in Prior Calendar Year³	\$		

¹Data will be verified using Virginia Employment Commission records.

²Data will be verified with locality records.

³This confidential information is protected from disclosure pursuant to § 2.2-3705.6 of FOIA.

Capital Investment Breakdown	Amount
Land	\$
Land Improvements	\$
New Construction or Expansion	\$
Renovation or Building Upfit	\$
Production Machinery and Tools	\$
Furniture, Fixtures and Equipment	\$
Other	
Total	\$

COMMENTS:

Discuss project status, including the current level of new jobs and capital investment, progress on targets, changes or likely changes in project's nature that may impact achievement of targets, and other information relevant to project performance. If the project is not on track to meet targets, please provide an explanation.

TO BE CERTIFIED BY AN OFFICER OF THE COMPANY:

I certify that I have examined this report and to the best of my knowledge and belief, it is true, correct, and complete.

Company: _____

Submitted By: _____
Signature of Official

Name: _____
Print Name

Title: _____

Date: _____

Please return to:

Kim Ellett, Incentives Coordinator, Virginia Economic Development Partnership, 804-545-5618, kellett@vedp.org

FINAL REPORT COMMONWEALTH'S DEVELOPMENT OPPORTUNITY FUND

PROJECT SUMMARY:

Project	
Location	
Amount of Grant	
Performance Date	

PROJECT PERFORMANCE:¹

Performance Measurement	Target	As of March 1, 2021	% Complete
New Jobs (over 0 baseline) ²			
Capital Investment (provide breakdown below) ³			
Average Annual Wage			N/A
Standard Fringe Benefits			
Virginia Corporate Income Tax Paid in Prior Calendar Year⁴	\$		

Capital Investment Breakdown	Amount
Land	\$
Land Improvements	\$
New Construction or Expansion	\$
Renovation or Building Upfit	\$
Production Machinery and Tools	\$
Furniture, Fixtures and Equipment	\$
Other	
Total	\$

¹Final, actual performance will be reported on VEDP's public reporting website.

² Attach the company's four most recent Quarterly Tax Report (Form FC-20) filed with the Virginia Employment Commission.

³ Data will be verified using records from the Commissioner of the Revenue and invoices.

⁴This confidential information is protected from disclosure pursuant to § 2.2-3705.6 of FOIA

LOCAL MATCH:

Goal	
Actual	

COMMENTS:

Discuss Project status or the important of the Project to the locality and region.

TO BE CERTIFIED BY AN OFFICER OF THE COMPANY:

I certify that I have examined this report and to the best of my knowledge and belief, it is true, correct, and complete.

Company: _____

Submitted By: _____
Signature of Official

Name: _____
Print Name

Title: _____

Date: _____

Please return to:

Kim Ellett, Incentives Coordinator, Virginia Economic Development Partnership, 804-545-5618, kelleth@vedp.org

TOBACCO REGION REVITALIZATION COMMISSION**SPEYSIDE BOURBON STAVE MILL IN VIRGINIA AT GLADE SPRING, INC.
PERFORMANCE AGREEMENT**

This Performance Agreement (this “Agreement”) is made and entered into this 1st day of _____, 2018, (“Effective Date”) by and among the TOBACCO REGION REVITALIZATION COMMISSION, a body corporate and political subdivision of the Commonwealth of Virginia (the “Commission”), the SMYTH-WASHINGTON REGIONAL INDUSTRIAL FACILITIES AUTHORITY (the “Authority”), a political subdivision of the Commonwealth, SPEYSIDE BOURBON COOPERAGE, INC., an Ohio corporation, (the “Parent Company”) whose Federal Employer Identification Number is 47-3309055 and SPEYSIDE BOURBON STAVE MILL IN VIRGINIA AT GLADE SPRING, INC., a Virginia corporation and wholly owned subsidiary of Parent Company (the “Company”) whose Federal Employer Identification Number is 83-2701009, SMYTH COUNTY, VIRGINIA (“Smyth”), a political subdivision of the Commonwealth of Virginia, and WASHINGTON COUNTY, VIRGINIA (“Washington”), a political subdivision of the Commonwealth of Virginia.

WITNESSETH:

WHEREAS, the Authority has been selected to receive a grant in the amount of \$95,000 (the “Grant”) from the Commission for the Authority’s use in inducing the Parent Company, through the Company as its wholly owned subsidiary, to construct or locate taxable assets and employ persons in the Glade-Highlands Regional Industrial Park (the “Park”), which is located in Washington County, Virginia, and which is owned by the Authority and generates tax revenue that is shared equally between Smyth and Washington pursuant to the Regional Industrial Facility Authority Agreement for Cost Sharing and Revenue Sharing between Smyth County, Virginia and Washington County, Virginia (August 8, 2000) (the “SWIFA Agreement”); and

WHEREAS, the Authority 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; and

WHEREAS, the Commission, the Authority, the Parent Company, the Company, Smyth, and Washington 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 (as defined herein); and

WHEREAS, the Commission has determined that the approval and funding of the Grant constitutes a valid public purpose for the expenditure of public funds and is consistent with and in furtherance of the Commission’s public purposes as outlined in Section 3.2-3100, *et. seq.* of the *Code of Virginia* of 1950, as amended;

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 hereto hereby represent, warrant, covenant, and agree as follows:

Section 1. Disbursement of the Grant

After receipt by the Commission of this Agreement fully executed by all parties hereto, and provided that the Authority is not in default on its obligations to the Commission as of the date first written above, the Commission shall disburse the Grant to the Authority on the following schedule:

Disbursement Schedule – In Arrears. Not more than two (2) installments as requested by the Authority in writing as hereinafter provided, subject to the reasonable approval of the Commission. The amount of each disbursement shall be limited to that portion of the Grant which has been earned by the Company based upon information described in Section 5, 6, and 7 of this Agreement, as applicable, when the same is delivered to and approved by the Commission in its sole discretion.

Allocation – Fifty percent (50%) of the Grant is allocated for the Company's taxable asset obligation set forth in Section 4 of this Agreement and fifty percent (50%) of the Grant is allocated for the Company's employment obligation set forth in Section 3 of this Agreement. Unless otherwise agreed to in writing by all parties to this Agreement, the Authority shall disburse all Grant proceeds to the Company, or for the Company's benefit if so requested by Company, within 30 days of receipt of Grant proceeds from the Commission or return the undisbursed proceeds to the Commission.

The Commission and the Authority acknowledge that the Grant was a material inducement to the Parent Company's and the Company's decision to locate taxable assets and employ persons in the Park. Notwithstanding anything else to the contrary herein, the following terms shall apply. Within 30 days of the Authority's receipt of notice from the Company that it has earned the Grant under Section 5 or 6 herein, together with any documentation to be provided by the Company as described in Sections 5 and 6 for verification of performance pursuant to this Agreement, the Authority shall submit such documentation to the Commission and shall request the Commission to disburse the Grant proceeds in accordance with the Disbursement Schedule stated herein. The Commission shall promptly review such request and documentation to determine whether the Grant has been earned by the Company as provided in Sections 5, 6 and 7 of this Agreement, and within 30 days : (i) from the submission of such request and documentation verifying that the Grant has been earned; or (ii) if so requested by the Commission within said initial 30 day period, from the Company's provision of any supplemental verification documentation as may be reasonably required under this Agreement by the Commission to verify that the Grant has been earned, the Commission shall disburse such Grant funds to the Authority. The Authority shall promptly disburse to the Company the Grant proceeds received from the Commission within 30 days of its receipt of such proceeds from the Commission. Failure by the Commission or the Authority to disburse the Grant once earned by the Company as provided in this Agreement shall constitute an event of default by the Commission or Authority as the case may be.

Section 2. Grant Restrictions and Conditions

Under this Agreement, the Commission places no restriction on the use of the Grant proceeds by the Company, and imposes no conditions beyond those described herein. Should any such restrictions or conditions be imposed by the Authority, 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 representative of the Company. The Authority shall be responsible for enforcement of any restrictions or conditions described in said **Exhibit A**.

Section 3. Employment Obligation

The Company shall employ at least 35 persons in the Park with a quarterly aggregate payroll of at least \$287,788. Said employment and payroll will be in addition to those already employed in the Park by the Company and paid during the calendar quarter ending on September 30, 2018, hereinafter called the "Base Quarter." Persons employed by the Company in the Park shall be counted as employed 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 Park having an assessed value of at least \$9,000,000, as determined by Washington's Commissioner of Revenue ("COR"). If Washington or the Authority elects to arrange for reimbursement to the Company of all, or any portion of, the tax paid by the Company on said taxable assets, or elects to waive all or any portion of such tax liability, the Company's aforementioned obligation to locate or construct taxable assets in the Park shall not be waived or reduced. The 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

In order 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 Park, AND
- (iv) all Company employees in Virginia have been reported to the Virginia Employment Commission ("VEC") in accordance with VEC regulations.

The Company's failure to satisfy such requirements shall be a breach hereof, and shall constitute an Event of Default hereunder by the Company. Employment gains by the Company in the Park that are offset by employment losses elsewhere in Virginia shall not be counted as employment hereunder.

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

All determinations of performance made under this Section 5 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 Park, it shall be the duty of the Company to provide additional information sufficient to identify those employees who did work in the Park. Employees of control affiliates (e.g., subsidiary companies, parent companies, 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 Park shall not be counted UNLESS evidenced by letter from the temporary employment agency setting forth the number of work-hours so assigned during the Base Quarter and the 36 months immediately following the Base Quarter. Such work-hours shall be credited to the Company's job-creation obligation at the rate of one job for one quarter for every 520 work-hours evidenced by such letter. The parties hereto acknowledge that the Company and Parent Company are related entities and the employees of either such entity shall be counted as employees of the Company, provided that both entities supply the Commission with the employment documentation as described herein.

Section 6. Determination of Performance – Taxable Assets

In order to earn the Grant, the Company must meet its taxable asset obligations hereunder not later than thirty-six (36) months after the Base Quarter. Company assets located, constructed, or leased in the Park prior to the Base Year will not be counted in fulfillment of the Company's taxable asset obligation. For purposes of this Agreement, the calendar year that includes the Base Quarter shall be called the "Base Year."

Leased assets not on record with the COR in the name of the Company will be counted in fulfillment of the Company's taxable asset obligation only if a copy of the lease is submitted to the Commission indicating that the asset(s) under lease meet the other requirements listed above and were not leased from the Authority or its control affiliates at a substantial discount from market rates.

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

- a. the highest real property assessed value of record for any one of the three years, less and except the assessed value prior to the Base Year, PLUS
- b. the first personal property assessed value for each asset first appearing of record during the three calendar years following to 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.

Provided that the Company constructs or locates its taxable asset obligations within the time period specified within the first paragraph of this Section 6., the Company's achievement of its taxable asset obligations hereunder shall be credited with any and all assessments by the COR for such assets, even if the COR's assessment first becomes available after the time periods specified herein.

Taxable assets owned by subsidiary companies, related entities, or entities under common ownership or control shall not be counted as taxable assets of the Company in fulfillment of its taxable asset obligation hereunder UNLESS such entities and their relationships 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 herein. The parties hereto acknowledge that the Company and Parent Company are related entities and the taxable assets of either such entity shall be counted as taxable assets of the Company, provided that both entities supply the Commission with the taxable assets documentation as described herein.

Section 7. Verification of Performance

Until all performance obligations pursuant to this Agreement have been satisfied or this Agreement has otherwise been terminated as provided herein, the Company hereby expressly grants its consent for (a) the COR to release to the Commission and the Authority records of all local tax assessments made to the Company for all tax periods including and after January 1, 2018, and (b) the Virginia Employment Commission to release to the Commission and the Authority all Company employment records of any kind held by the Virginia Employment Commission including and after January 1, 2018.

If any of the taxable assets described in Section 4 have been acquired or improved 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 acquired or improved by the lessor on behalf of the Company.

Notwithstanding any other provision of this Agreement, once Company earns the Grant as provided in Sections 5. and 6. herein, Company and Parent Company shall have no further obligations under this Agreement.

Section 8. 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 or Parent 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 or Parent Company as bankrupt or insolvent or approving a petition seeking reorganization of the Company or Parent Company or appointing a receiver, trustee or liquidator of the Company or Parent 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 or Parent Company ceases to be of record and in good standing with the Virginia State Corporation Commission, and such failure is not cured within sixty (60) days from notice thereof, unless Company obligations hereunder have been assumed by another entity and that assumption was approved by the Commission and the Authority;
- c. The Company fails, for reasons other than an Event of Force Majeure (as defined herein), 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. The Company’s employment level is less than 75% of that found in the Base Quarter in more than 2 calendar quarters following the Base Quarter;
- e. The Company fails to provide verification to the Commission as described in Section 7, within sixty (60) days from a written request from the Commission; or
- f. After opening for business in the Locality following the completion of its facility construction, the Company closes its business in the Locality for a period of more than ninety (90) days during the thirty-six (36) months following the Base Quarter.

Section 9. Revenue Sharing Addendum

Smyth and Washington are parties to this Agreement solely due to the Revenue Sharing Addendum, attached hereto as Exhibit C, that relates to this Agreement. Exhibit C is hereby incorporated by reference as if fully set out herein.

Section 10. 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, or an Event of Default occurs, the Company shall repay to the Authority the unearned portion of the Grant that has been received by the Company, 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 (a) \$1.0 million if the taxable asset obligation described in Section 4 hereof is higher than \$1.0 million **or** (b) one-half of the taxable asset obligation described in Section 4 hereof when listed as lower than \$1.0 million.
- b. Subject to the terms of Section 10.c. 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.
- c. The method of computation set forth in Paragraph 10.b. above will be used only if the average of the quarterly aggregate payroll for the three consecutive quarters described in Section 5 divided by the average number of employees receiving pay during said period equals or exceeds \$8,222.50, and if less than said amount then, the number of qualifying employees shall be reduced in proportion to the shortfall in quarterly aggregate payroll on a per employee basis 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 Sections 6 and 7 above by the taxable assets promised in Section 4.
- e. All unearned portions of the Grant shall be repaid by the Company to the Authority not later than thirty (30) days after the date on which the Company is notified of the unearned amount. The Authority agrees to remit the same to the Commission. Any refund owed by the Company to the Authority hereunder shall immediately constitute an obligation of the Authority to repay the Commission and such Authority's obligation shall **not** be contingent upon successful collection of any amount from the Company. **The Authority 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 Authority has received repayment from the Company as further certified on Exhibit B attached hereto.**
- f. Interest shall accrue on unpaid balances at the rate of three percent (3%) per annum beginning on the 31st day after the Company is notified of the amount due.
- g. If the Company does not meet its employment obligations or taxable asset obligations hereunder by the date which is thirty-six (36) months after the end of the Base Quarter because of: (i) an

Event of Force Majeure (as defined herein),), or (ii) the COR assessment for taxable assets constructed or located in the Locality within thirty-six (36) months after the end of the Base Quarter not becoming available until after the end of said period, 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 or for such COR assessment to become available. "Event of Force Majeure" means any of the following: acts of God, strikes, lockouts, crime, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, tornadoes, storms, floods, washouts, draughts, or explosions.

- h. In the event the Commission is required to take legal action under this Agreement, the Authority and the Company, jointly and severally, shall be liable for all of the Commission's costs expended for the administration and enforcement of this Agreement, including but not limited to reasonable attorney's fees and court costs.
- i. In the event of a repayment obligation pursuant this Section, any payments that the Commission has received from Smyth or Washington or both pursuant to the Addendum, Exhibit C, shall be deducted from any repayment obligation the Authority owes to the Commission.

Section 11. Guaranty by Parent Company

Parent Company hereby guaranties the timely and completed performance of the covenants, agreements, duties and obligations of the Company under this Agreement, provided however, that Parent Company's obligations shall only arise following the default by the Company in its performance of said covenants, agreements, duties and obligations. In the event of any such default by the Company, the Company and Parent Company shall be jointly and severally liable for the duties and obligations of the Company under this Agreement.

Section 12. Acknowledgment and Notice

The Company and the Authority each acknowledge and agree to its respective repayment obligation in accordance with 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 Parent Company, to:

NAME: SPEYSIDE BOURBON COOPERAGE, INC.
ADDRESS: 960 E. Main Street
Jackson, OH 45640
Attention: Darren Whitmer, Vice President and General Manager

With a copy to:

NAME: Snyder & Snyder, PLC
ADDRESS: P.O. Drawer 635
316 Main Street
Clifton Forge, VA 24422
Attention: R. Meade Snyder, Esq.

if to the Company, to:

NAME: SPEYSIDE BOURBON STAVE MILL IN VIRGINIA AT GLADE SPRING, INC.
ADDRESS: 960 E. Main Street
Jackson, OH 45640
Attention: Darren Whitmer, Vice President

With a copy to:

NAME: Snyder & Snyder, PLC
ADDRESS: P.O. Drawer 635
316 Main Street
Clifton Forge, VA 24422
Attention: R. Meade Snyder, Esq.

if to the Authority, to:

NAME: SMYTH-WASHINGTON REGIONAL INDUSTRIAL FACILITIES AUTHORITY
ADDRESS: 1021 Terrace Drive
Marion, VA 24354
Attention: Mr. Henry Snodgrass

if to the Commission, to:

NAME: TOBACCO REGION REVITALIZATION COMMISSION
ADDRESS: 701 East Franklin Street, Suite 501
Richmond, VA 23219
Attention: Evan Feinman, Executive Director

if to Smyth, to:

NAME: SMYTH COUNTY, VIRGINIA
ADDRESS: 121 Bagley Circle, Suite 100
Marion, Virginia 24354
Attention: County Administrator

if to Washington, to:

NAME: WASHINGTON COUNTY, VIRGINIA
ADDRESS: Government Center, Suite A
1 Government Center Place
Abingdon, Virginia 24210
ATTN: County Administrator
COPY TO: County Attorney

Section 13. General terms and conditions

- a. Entire agreement, successors, & assigns. 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 Authority and the Commission; provided that the Company shall have the right, without the consent of the Authority 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.
- b. Controlling law and venue. 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 of Washington County, Virginia and such litigation shall be brought only in such court.
- c. Severability at discretion of Commission. 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.
- d. Good standing of Company and Parent Company. The Company and Parent Company hereby warrant that from the date of this Agreement until all obligations hereunder have been satisfied that they are, and will remain, registered and in good standing with the Virginia State Corporation Commission and that the Parent Company is, and will remain, legally authorized to conduct business in the Commonwealth of Virginia.
- e. Survival. The provisions of this Agreement are intended to and shall survive closing, the delivery of any deed or other instrument, and any other event. If this Agreement has not been executed by all parties hereto and returned to the Commission within 90 days from the date hereof, the Authority's and the Company's rights to the Grant Proceeds shall automatically terminate.
- f. Counterparts and electronic certification. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. Facsimile signatures or signed copies sent by portable document format (PDF) shall be deemed originals.

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

<p>TOBACCO REGION REVITALIZATION COMMISSION</p> <p>_____</p> <p>By: Evan Feinman, Its, Executive Director</p> <p>Date: _____</p>	<p>SPEYSIDE BOURBON COOPERAGE, INC.</p> <p>_____</p> <p>By Its, _____</p> <p>Date: _____</p>
<p>SMYTH-WASHINGTON REGIONAL INDUSTRIAL FACILITIES AUTHORITY</p> <p>_____</p> <p>By: Henry Snodgrass Its: Chairman _____</p> <p>Date: _____</p>	<p>COUNTY OF WASHINGTON, VIRGINIA</p> <p>—</p> <p>_____</p> <p>By: Saul Hernandez, Its: Chairman of the Board of Supervisors</p> <p>Date: _____</p>
<p>SPEYSIDE BOURBON STAVE MILL IN VIRGINIA AT GLADE SPRING, INC.</p> <p>_____</p> <p>By Its, _____</p> <p>Date: _____</p>	<p>COUNTY OF SMYTH, VIRGINIA</p> <p>_____</p> <p>By: M. Todd Dishner Its: Chairman of the Board of Supervisors</p> <p>Date: _____</p>

Grant Restrictions

None.

Authority Certification

The SMYTH-WASHINGTON REGIONAL INDUSTRIAL FACILITIES AUTHORITY (the "Authority"), a political subdivision of the Commonwealth, hereby certifies that (a) it unconditionally guarantees the Company's performance under and pursuant to the Performance Agreement (this "Agreement") dated as of December __, 2018, by and among the TOBACCO REGION REVITALIZATION COMMISSION, a body corporate and political subdivision of the Commonwealth of Virginia (the "Commission"), the SMYTH-WASHINGTON REGIONAL INDUSTRIAL FACILITIES AUTHORITY (the "Authority"), a political subdivision of the Commonwealth, SPEYSIDE BOURBON COOPERAGE, INC., a Ohio corporation, (the "Parent Company") whose Federal Employer Identification Number is 83-1050842, SPEYSIDE BOURBON STAVE MILL IN VIRGINIA AT GLADE SPRING, INC., a Virginia corporation and wholly owned subsidiary of Parent Company (the "Company"), SMYTH COUNTY, VIRGINIA ("Smyth"), a political subdivision of the Commonwealth of Virginia, and WASHINGTON COUNTY, VIRGINIA ("Washington"), a political subdivision of the Commonwealth of Virginia, and (b) it holds collateral security from the Company sufficient to provide a secondary source of repayment in the event that the Company cannot or will not repay the unearned portion of the Grant (as defined in the Agreement) to the Commission. Such collateral security is described as follows:

_____.

The Authority hereby acknowledges that the sufficiency of the collateral security for the Grant is the sole responsibility of the Authority.

SMYTH-WASHINGTON REGIONAL INDUSTRIAL FACILITIES AUTHORITY

By: _____

Title: _____

Date: _____

Revenue Sharing Addendum

1. Localities' revenue sharing obligation with Commission.

The counties of Smyth and Washington, Virginia, (for purposes of this Addendum, the "Localities"), political subdivisions of the Commonwealth, hereby guarantee to pay the TOBACCO REGION REVITALIZATION COMMISSION (the "Commission"), a body corporate and a political subdivision of the Commonwealth of Virginia, an annual amount equal to 5% of all Local Tax Revenue generated by the Grant described in the Performance Agreement (the "Agreement") dated as of August 1, 2018, by and among the Localities, the Smyth-Washington Regional Industrial Facilities Authority (the "Authority"), the Commission, SPEYSIDE BOURBON COOPERAGE, INC., an Ohio corporation duly registered to conduct business in the Commonwealth of Virginia, (the "Parent Company"), and SPEYSIDE BOURBON STAVE MILL IN VIRGINIA AT GLADE SPRING, INC., a Virginia corporation and wholly owned subsidiary of Parent Company (the "Company"). The total amount of Local Tax Revenue provided to the Commission shall be limited to 105% of the Grant amount.

2. Definitions.

"Local Tax Revenue" means the amount of taxes that are annually assessed and collected by Washington County, Virginia, from the Company under Title 58.1, Subtitle II of the *Code of Virginia*, including, but not limited to, real property taxes, machinery and tools taxes, and tangible personal property taxes and that are shared equally by Washington County, Virginia and Smyth County, Virginia pursuant to the Regional Industrial Facility Authority Agreement for Cost Sharing and Revenue Sharing between Smyth County, Virginia and Washington County, Virginia (August 8, 2000) (the "SWIFA Agreement"). Washington County alone shall determine the rate at which Local Tax Revenue is taxed and the due date for such taxes.

"Generated by the Grant" means real property taxes, machinery and tools taxes, and tangible personal property taxes resulting from assets and activity of the Company in performance of its obligations in Section 3 and Section 4 of the Agreement, which are shared equally between the Localities. The Company is a new business in Washington County; therefore, "Generated by the Grant" shall mean all applicable taxes generated by the Company.

"Commission Revenue Share Amount" means the portion of Local Tax Revenue that the Localities shall pay to the Commission pursuant to this Agreement.

"Locality Revenue Share Amount" means the portion of Local Tax Revenue that each Locality receives pursuant to the SWIFA Agreement.

3. Contingency.

The payment obligation of the Localities under this Addendum is contingent upon Washington County's receipt of tax payments from the Company. In the event the Company ceases operations in the Glade-Highlands Regional Industrial Park in Washington County, Virginia, all rights and obligations pursuant to this Addendum shall terminate and none of the parties hereto shall have any further rights or obligations pursuant to this Addendum.

4. Payment schedule.

Pursuant to the SWIFA Agreement, Washington County makes Local Revenue Share Amount payments to Smyth County within 60 days of Washington County's receipt of such payments from the Company. Smyth County hereby authorizes the Washington County Treasurer to send Smyth County's portion of the Commission Revenue Share Amount directly to the Commission. The Washington County Treasurer will report each remittal to Smyth County for its records. Washington County shall make Commission Revenue Share Amount payments to the Commission within 60 days after it receives such payments from the Company. Extensions to the date that the Commission Revenue Share Amount payment is due to the Commission may be made at the sole discretion of the Commission.

5. Tax delinquencies.

In the event tax delinquencies occur, Washington County shall be responsible for pursuing collection of such delinquencies, and Smyth County will pay for one-half the cost of such collection activities, as provided in the SWIFA Agreement. The Commission shall not receive any portion of penalties and interest accrued and paid by the Company as a result of delinquent payments.

6. Repayment obligation.

In the event of a repayment obligation pursuant to Section 9 of the Agreement, any payments that the Commission has received from the Localities pursuant to this Addendum shall be deducted from any repayment obligation the Authority owes to the Commission, and all obligation pursuant to this Addendum Agreement for payment of Commission Revenue Share Amount shall terminate and none of the parties hereto shall have any further rights or obligations pursuant to this Addendum.

7. Modification.

Modifications to this Addendum shall be made only by written agreement certified on behalf of all parties hereto.

The Smyth County Board of Supervisors held its continued meeting at 7:00 p.m., **Thursday, December 27, 2018**. 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, Park District Supervisor M. Todd Dishner; Vice-Chairman, Rye Valley District Supervisor Rick K Blevins; Saltville District Supervisor Roscoe D Call; North Fork District Supervisor Phil Stevenson; Chilhowie District Supervisor R. Curtis Rhea; Atkins District Supervisor Charles Atkins (6)

North Fork District Planning Commissioner Norman Sparks; Park District Planning Commissioner Joel Pugh; Chilhowie District Planning Commissioner Graham Davidson Jr.; Rye Valley District Planning Commissioner Paul D. Shepherd; Atkins District Planning Commissioner Hazel Wagoner, Royal Oak District Planning Commissioner Tony Dean; Saltville District Supervisor David Spence (7)

ABSENT: Royal Oak District Supervisor Judy Wyant (1)

STAFF: County Administrator Michael Carter; Assistant County Administrator Scott Simpson; Building & Zoning Administrator Clegg Williams; Administrative Assistant Sarah Parris; Administrative Assistant Kelly Woods; County Attorney Jeff Campbell (6)

Others Present: Linda Burchette, Smyth County News and Messenger and a Deputy with Smyth County Sheriff's Office

Chairman of the Board of Supervisors, M. Todd Dishner and Norman Sparks Chairman of the Planning Commission, called the joint public hearing to order. Michael Carter, County Administrator read the advertisement as placed in the Smyth County News and Messenger.

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, December 27, 2018, 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 Clinch Valley Community Action for a Special Use Permit to establish a Childcare Center. The property is owned by John Fredrick Riley and is addressed as 5894 Lee Highway in Atkins, identified as Tax Map No. 48-A-47F and is zoned Commercial.

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 Act, persons requiring special assistance to attend and participate in this hearing should contact Clegg Williams, ADA Coordinator, 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

Chilhowie District Supervisor R. Curtis Rhea made a motion to waive the reading of the rules relating to Public Hearings. Atkins District Supervisor Charles Atkins seconded the motion.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Park District Supervisor M. Todd Dishner,
Vice Chairman, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
North Fork District Supervisor Phil Stevenson,
Atkins District Supervisor Charles Atkins and
Chilhowie District Supervisor R. Curtis Rhea.

NAYS: None.

ABSTAINERS: None.

ABSENT: Royal Oak District Supervisor Judy Wyant.


Clegg Williams, Building and Zoning Administrator explained Clinch Valley Community Action's request for the rezoning, stating they would like to establish a Childcare Center on the property identified above. Mr. Williams identified Mr. Riley and Mr. Sheets were present to answer any questions.


Several Board Members questioned the sewer capacity for the building, and what the plan would be to accommodate the children that would be attending the Center.

No one chose to speak concerning this application.

Board of Supervisors Chairman, Park District Supervisor M. Todd Dishner and Planning District Commission Chairman Norman Sparks closed the joint public hearing.

 12/27/2018 7:26 PM Chairman, Park District Supervisor M. Todd Dishner called the Board of Supervisors Meeting back to order.

 12/27/2018 7:26 PM Chairman, Park District Supervisor M. Todd Dishner announced that Ed Whitmore, whom had worked and served Smyth County for many years had passed away. Several Board Members expressed their condolences and stated how fortunate they were to have worked with Mr. Whitmore.

 12/27/2018 7:27 PM A motion was made by Rye Valley District Supervisor Rick K. Blevins to enter into closed session under Code of Virginia, Section 2.2-3711 – **Code of Virginia, Section 2.2-3711 A.1; Personnel Matters; Discussion, consideration, or interviews of prospective candidates for employment; assignment, appointment, promotion, performance, demotion, salaries, disciplining, or resignation of specific public officers, appointees, or employees of any public body and A.5; Industrial/Business Prospects; discussion concerning a business or industry considering expansion with no previous announcement being made.** North Fork District Supervisor Phil Stevenson seconded the motion.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Park District Supervisor M. Todd Dishner,
Vice Chairman, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
North Fork District Supervisor Phil Stevenson,
Atkins District Supervisor Charles Atkins and
Chilhowie District Supervisor R. Curtis Rhea.

NAYS: None.

ABSTAINERS: None.

ABSENT: Royal Oak District Supervisor Judy Wyant.

It was moved by Rye Valley District Supervisor Rick K. Blevins, seconded by North Fork District Supervisor Phil Stevenson, to 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.

After consideration, the motion PASSED by the following vote:

AYES: Chairman, Park District Supervisor M. Todd Dishner,
Vice Chairman, Rye Valley District Supervisor Rick K. Blevins,
Saltville District Supervisor Roscoe D. Call,
North Fork District Supervisor Phil Stevenson,

Atkins District Supervisor Charles Atkins and
Chilhowie District Supervisor R. Curtis Rhea.

NAYS: None.

ABSTAINERS: None.

ABSENT: Royal Oak District Supervisor Judy Wyant.



12/27/2018 7:36 PM Meeting adjourned.



Smyth County Planning Commission

121 Bagley Circle, Suite 120, Marion, VA 24354
Phone (276) 706-8316 Fax (276) 783-9314

Hazel Wagoner, Atkins District
Graham Davidson Jr., Chilhowie District
Norman Sparks, North Fork District
Joel Pugh, Park District
Tony Dean, Royal Oak District
Paul Shepherd, Rye Valley District
David Spence, Saltville District
Clegg Williams, Zoning Administrator
Sarah Parris, Administrative Assistant

To: Michael L. Carter
From: Clegg Williams *CW*
Date: January 3, 2019
Subject: Recommendations from Planning Commission

At the joint public hearing on Thursday, December 27, 2018, the following motions were rendered:

John Riley / Clinch Valley Community Action: Commissioner David Spence made a motion to recommend approval of Mr. Riley and Clinch Valley Community Action's request for a Special Use Permit with the condition that no building permits be issued until an adequate sewage disposal plan is approved by the Smyth County Health Department. Commissioner Paul Shepherd seconded the motion.

After consideration, the motion PASSED by the following vote:

AYES: Sparks, Spence, Wagoner, Shepherd, Pugh, Davidson Jr., Dean
NAYS: None.
ABSTAINERS: None.
ABSENT: None.

A meeting of the Smyth County Budget Committee was held at the County Office Building on Wednesday, January 2, 2019 at 4:00 p.m.

Committee Members Present:

Park District Supervisor M. Todd Dishner, Chair
Rye Valley District Supervisor Rick K. Blevins
Chilhowie District Supervisor R. Curtis Rhea

Staff Members Present:

Michael Carter, County Administrator
Kelly Woods, Administrative Assistant
Scott Simpson, Assistant County Administrator

Others Present:

Jeff Richardson, Commissioner of Revenue

Chairman, Park District Supervisor M. Todd Dishner called the meeting to order at 4:12 P.M.

Michael Carter, County Administrator presented a budget transfer request as shown below for the Sheriff's Department. The Department has vacancy savings from the Compensation Board that can be utilized for vehicle expenses and maintenance.

From:	To:	Amount:
001-021070-1001 (Salaries)	001-021070-5408(Vehicle Maint.)	\$2,167.00

Rye Valley District Supervisor Rick K. Blevins made a motion to recommend approving the Budget Transfer in the amount of \$2,167.00 as requested by the Sheriff's Department. Chilhowie District Supervisor R. Curtis Rhea seconded the motion. All agreed unanimously.

Michael Carter, County Administrator presented a request to establish a budget deadline of February 15, 2019 for the FY2019-2020 budget process. After discussion, Chilhowie District Supervisor R. Curtis Rhea made a motion to set the deadline for budget submittals for the FY2019-2020 budget cycle to February 15, 2019. Rye Valley District Supervisor Rick K. Blevins seconded the motion. All agreed unanimously.

Jeff Richardson, Commissioner of Revenue brought forward additional information as requested by the Committee for a tax refund. Mr. Richardson explained the refund request was for Russell's Chapel Church, stating the property is used for fellowship purposes and by code section 58.1-3606, is exempt from being taxed. After discussion, Rye Valley District Supervisor Rick K. Blevins made a motion to recommend the tax refund as presented for Russell's Chapel. Chilhowie District Supervisor R. Curtis Rhea seconded the motion. All agreed unanimously.

Michael Carter presented information to the Committee concerning Machine and Tool tax and the effect it could have on the upcoming budget cycles.

Michael Carter, County Administrator informed the Committee that Mt. Rogers Planning District Commission had made a request for the Board to consider paying the requested amount of \$22,213.00

for FY2018-2019, instead of the adopted amount of \$21,988.00. This is a difference of \$225.00. After Discussion, the Committee chose to not take any action on this item at this time, but will look into the request for the upcoming FY2019-2020 budget.

At 4:40 p.m. Chairman Park District Supervisor M. Todd Dishner adjourned the meeting.

A meeting of the Smyth County Insurance Committee was held at the County Office Building on Wednesday, January 2, 2019 at 3:30 P.M.

Committee Members

Present: Rye Valley District Supervisor Rick K. Blevins, Chair
Saltville District Supervisor Roscoe D. Call

Staff Members: Michael Carter, County Administrator
Scott Simpson, Assistant County Administrator
Lisa Richardson, Human Resource Manager
Kelly Woods, Administrative Assistant

Chairman, Rye Valley District Supervisor Rick K. Blevins called the meeting to order at 3:32 P.M.

Lisa Richardson, Human Resource Manager presented information to the Committee concerning the Nationwide 457 Plan as shown below:

Nationwide 457 Deferred Compensation Fixed Account Change Request

Nationwide Insurance Company manages the 457 Deferred Compensation Plan for Smyth County. In November, 2018, Smyth County received notice from Nationwide that the company recognized a need to change the Guaranteed Minimum Interest Rate (GMIR) of the fixed annuity account. The balance in the fixed annuity account as of September 30, 2018 was \$590,364.01 with a GMIR of 3.5%. There are currently 26 participants in the 457 Plan with 12 active employees making monthly contributions.

Nationwide provided the County with three options to make the required changes to the Plan effective in 2019;

1. Option One: Reduce the GMIR annually by 0.5% over the next 5 years
2. Option Two: Reduce the GMIR annually by 0.5% over the next 5 years and increase the transfer limit from 20% to 40%.
3. Option Three: The existing balance in the fixed annuity account remains at a GMIR of 3.5% and new contributions will not be accepted to the fund. Direction must be provided by the County for future allocations to be made to either:
 - A. A new Nationwide Fixed Contract with an initial credit rating of 1.2% and a 0.5% GMIR, or;
 - B. Utilize the Plan's existing Default Investment Alternative (DIA). The DIA for Smyth County is Target Date Funds, which are based on the participants age, and estimated years to retirement.

Finally, if the County took no action, the default is to place all participant allocations into the DIA.

Employees are allowed to make changes to their allocations at any time.

Participants in the plan will be made aware of the change to the plan and the Nationwide

Representative will be requested by Smyth County to meet with each active participant to advise them on their allocations.

After discussion, Saltville District Supervisor made a motion to recommend changing the Nationwide 457 Plan to option 3-A as described above. All agreed unanimously.

Lisa Richardson, Human Resource Manager then presented the Committee with information concerning the Cafeteria Plan as shown below:

Cafeteria Plan – Section 125 Change proposal

Colonial Insurance Company and Ameriflex manage Smyth County's Cafeteria Plan. The Plan is designed to allow eligible employees to pay their share of contributions under one or more Insurance Plans on a pre-tax basis and remain compliant with IRS Code Section 125. The Plan renews on a calendar year basis.

The County would like to change the current Plan design from one where elections must be made during each new open enrollment period by providing an election form to each employee to an Evergreen / Rolling enrollment period, where employee elections will roll from year to year unless they request to opt out. Information on how to opt-out will be provided to all newly hired employees and to all existing employees during the open enrollment renewal periods.

After discussion, Saltville District Supervisor Roscoe D. Call made a motion to recommend changing the plan to an Evergreen/Rolling enrollment period as described above. All agreed unanimously.

With no other matters to discuss, Chairman, Rye Valley District Supervisor Rick K. Blevins adjourned the meeting at 4:08 p.m.

A meeting of the Smyth County Water and Sewer Committee was held at the County Office Building on Wednesday, January 2, 2019 at 4:30 p.m.

Board Members Present: Saltville District Supervisor Roscoe D. Call, Chair
Chilhowie District Supervisor R. Curtis Rhea
North Fork District Supervisor Phil Stevenson

Staff Present: Michael Carter, County Administrator
Scott Simpson, Assistant County Administrator
Kelly Woods, Administrative Assistant
Wally Blevins, Water Department Foreman

At 4:43 p.m. Chairman, Saltville District Supervisor Roscoe D. Call called the meeting to order.

Scott Simpson, Assistant County Administrator presented bids for the well upgrades at Pathway Park that were received on December 20th at 2:00 pm. Mr. Simpson solicited 5 well drilling firms by certified mail and received one bid response. Rorrer Drilling located in Christiansburg was the bidder, their total base bid price came in at \$74,185.00, with total available funding of \$77,897.09. Discussion continued by the Committee concerning item 7-B of the bid where pricing was obtained to extend the well 120 foot deeper than it currently exists which would allow for the potential of additional water quantity. After further thoughts and discussion by Staff and the Committee, it was determined the current well has a known initial tested quality and introducing additional potential water seams could be riskier for quality than the reward of additional volume which may not ultimately be needed. North Fork District Supervisor Phil Stevenson made a motion to recommend awarding the contract to Rorrer Well Drilling in the base bid amount of \$74,185.00, excluding item 7-B in the amount of \$10,440.00, making the bid award amount \$63,745.00. This will be fully grant funded by SERCAP and Mt. Rogers Planning District Commission. Chilhowie District Supervisor R. Curtis Rhea seconded the motion. All agreed unanimously.

Mr. Simpson informed the Committee that two separate Requests for Proposal were advertised last month and were due by December 28th at 5:00 pm. One was for Term Engineering Services and the other was for Multiple larger projects. Mr. Simpson distributed the RFP response packets to the Committee, there were a total of 8 and 10 responses respectively. Staff and the Committee will review the proposals individually, rank them on the provided scoresheet, and meet again in the coming weeks to determine a final ranking order of firms for interviews, and/or award.

Scott Simpson, Assistant County Administrator spoke to the Committee concerning a snowstorm over the weekend of December 8-10, which severely impacted Smyth County. Water/sewer bills were due on December 10th and the County Offices were open all day. A few complaints were received from citizens regarding the County not changing the due date due to the storm. In response, a report was compiled that indicated the county collected a total of \$ 88.04 of penalty on Tuesday for unpaid bills. The committee discussed the many options available to pay bills remotely, as well as, the opportunity for customers to pay their bills well ahead of the due date. The committee determined it would take no action to modify the due date or refund any penalty collected on that day.

With nothing else to discuss, Chairman, Saltville District Supervisor Roscoe D. Call adjourned the meeting at 5:10 P.M.