



Board of Supervisors of Northampton County
P.O. Box 66 • Eastville, Virginia 23347

BOARD OF SUPERVISORS
H. Spencer Murray, Chairman
Larry LeMond, Vice Chairman
Oliver H. Bennett
Robert G. Duer
Granville F. Hogg, Jr.

Katherine H. Nunez
County Administrator

PHONE: 757-678-0440
FAX: 757-678-0483

TO: Board of Supervisors
FROM: Katie H. Nunez, County Administrator
DATE: June 7, 2016
RE: Bi-Monthly Report

I. Projects:

A. USDA Grant Obligation Update:

November 2015 thru May 10, 2016 Status Report: USDA has signed off completely on all items, including the recent addition of 15 AED units, two Dodge Chargers for the Sheriff's Department as well as a Ford Explorer for the Sheriff's Department and additional laptop computers for County Administration. We have now committed 100% or \$599,734.80 of the obligation.

I am awaiting delivery and invoicing on the Ford Explorer and awaiting delivery on the 9 laptops. Once those items are in and fully paid, then we will send a packet to USDA with a copy of all invoices, payments made as well as proof of insurance and title on all vehicles and items as required by USDA.

B. Update on the ESVA Broadband Authority:

The ESVA Broadband Authority has focused its efforts for the last 18 months determining how to extend service into the home. While the Authority operates an open access network and has been encouraging third party Internet Service Providers (ISPs) to provide the final delivery into homes and businesses, the Board has recognized that the geographic layout of the Shore along with its sparse population continues to pose the same challenges that led to the creation of the ESVBA in the first place: high capital costs with limited financial return thus a lack of interest from the public sector. Therefore, the Authority has done the following to encourage and continue the growth of the network:

- 1.) Instituted another rate reduction in our Transport Internet Pricing.
- 2.) Implemented a new pricing model known as the WISP EVPL Network Price Model – this price structure reduces rates for service providers to towers and poles 50' or greater on the Eastern Shore.
- 3.) Extended and established free Wi-Fi Hot Spots at: ES Welcome Center at the CBBT, Indiantown Park at Eastville, Randy Custis Park at Nassawadox, ES Chamber of Commerce at Melfa, Accomack Central Park at Accomack, and

- Waterfront Park at Chincoteague. We are working with the Town of Cape Charles to establish a Wi-Fi Hot Spot at the Cape Charles Public Beach.
- 4.) Continued expansion of the fiber network by including the following extension segments in the adopted FY2016 ESVBA Budget: Oyster, Cheapside, Wachapreague, Quinby, Pungoteague, Harboton, Greenbackville and Sanford.
 - 5.) Issued a Request for Proposals (RFP) for Last Mile Deployment in September 2015 under the PPEA Guidelines with responses due in November 2015. The objective of the RFP is for a Service Provider to provide complete coverage to all residents of Accomack & Northampton Counties in Virginia; residents of Tangier Island excepted (the "Counties"). The Service Provider's network shall be designed, implemented, owned or leased, and maintained by the successful bidder (the "Service Provider"). ESVBA will provide the Service Provider with internet access services at up to fifty (50) towers, which each must be fifty feet (50') or more above ground level at the tower's location, at no monthly charge. Service Provider shall provide 100% coverage to all residents of the Counties within 24 months of contract execution, with the exception of Tangier Island and those areas which require completion of fiber extensions by ESVBA prior to service, which areas will obtain 100% coverage no later than twelve (12) months after completion of the fiber extension. 100% coverage means that any resident in the Counties will receive service upon request, within sixteen (16) weeks on receipt of order by Service Provider.

Within one year of the Effective Date of this Agreement, Service Provider will offer coverage to 50% of all residents in Northampton County and 25% of all residents of Accomack County.

The Authority has been in negotiation with DNG Networks regarding a contract pursuant to the RFP and the PPEA. After substantial negotiation regarding the terms and conditions of the contract, the Authority, at our meeting on Wednesday, June 1, 2016, recommended the award of the proposed contract to DNG Networks, contingent upon the required public hearing as part of the PPEA Guidelines. This proposed contract has an initial term of five years with 5 five-year renewal terms, potentially being a 30 year contract. I am anticipating that the ESVBA will be holding this public hearing as part of their meeting scheduled for July 21, 2016.

- 6.) In addition, the Authority has instructed our Executive Director to develop a residential rate recommendation and to add that to our rate sheet which is scheduled for public hearing at the July 21, 2016 meeting and to also provide a report on a plan of action for implementation of a residential rate by the ESVBA. This is being done so that we have options available to the Authority if our PPEA contract does not materialize as anticipated.

BACKGROUND: The Eastern Shore of Virginia Broadband Authority is a public authority, formed by the Counties of Northampton and Accomack, to provide broadband

services on the Eastern Shore of Virginia. The ESVBA is a public not for profit company created under the Virginia Wireless Service Authorities Act, Chapter 54.1 §15.2-543.1.1 et seq. and by a resolution of the Counties of Northampton and Accomack. The Board of Directors is:

- 1.) Steven Miner, Chairman - Accomack County Administrator – Accomack County representative.
- 2.) Elaine Meil, Vice-Chairman – ANPDC Executive Director – Jointly selected representative.
- 3.) Katie Nunez, Treasurer – Northampton County Administrator – Northampton County representative.
- 4.) Peter Lalor – Accomack County representative.
- 5.) John Reiter – Northampton County representative.

The Backbone- This part of the ESVBA’s network begins at Wallops Island and runs south along the Eastern Shore of Virginia to Virginia Beach. Along this route, regeneration facilities are located in Wallops Island, Tasley, Exmore and Cheriton.

Community Networks- This part of the ESVBA’s network consists of regionalized networks that are connected to the backbone. Currently, the following communities have operational broadband networks:

- a. Chincoteague
- b. Parksley
- c. Onancock
- d. Belle Haven
- e. Exmore
- f. Willis Wharf
- g. Nassawadox
- h. Eastville
- i. Cape Charles

C. Review of Building Permit Fees:

Recently, citizens from the Jamesville area were interested in replacing their community sign. The issue of the sign fees charged by the County was raised to see if there could be a waiver since this is a community project with funds for the sign replacement coming from community donations, possibly because it is a community project, not for profit and in the interest of tourism.

The building permit fees (see attached) for a free standing sign is \$140 (see page 2 near the bottom) and there is no waiver provision for any of the building permit fees in this ordinance. I have enclosed a memo from John Outten, Building Official, who has provided some additional information on the costs of sign fees in other localities. If the Board would like to amend this fee or any other fees on the building fee schedule, then it would need to go to public hearing to amend the ordinance.

D. Review of Planning & Zoning Fees:

As part of the Item #C above, the zoning fee for signs was raised and I have included the fee schedule for Planning and Zoning fees as well if the Board would like to amend that fee as well. This fee schedule is done as a vote of the Board but not by ordinance.

In addition, there has been some discussion regarding the fees for E&S and Stormwater Management. Since we are in the midst of obtaining new proposals for third party engineering services, the Board may wish to defer altering these fees until we have the proposals in so that we ensure we set rates that cover expenses.

E. 2016 Legislative Summary:

Enclosed is the tracking of bills passed by the General Assembly for 2016 that affects local government. There may be legislation that requires the County to revise its ordinances or local policies and they have been flagged for review by the respective departments. I will have a full report on this for our next meeting.

F. Eastville Courthouse Green:

As part of your FYI packet, you received an e-mail from Eyre Baldwin regarding the Eastville Courthouse Green in which he proposes the formation of a committee to help develop a master plan for the courthouse green property. If the Board is interested in pursuing this, I would recommend the adoption of a resolution forming an Ad-Hoc Committee with a defined scope of work, committee membership such as the Baldwins, representative(s) from the Town of Eastville, the Historic Society, and one or two members of the Board of Supervisors; along, with an initial timeframe to provide a report back to the Board of Supervisors.

G. FY2017 Proposed Budget Resolution – 2 Items for BOS Consideration:

Under the Action Items for tonight's agenda, the Board will be taking up the FY2017 Budget Resolution. There are two items that I would like to raise for the Board's consideration to see if you would like to add them as clauses to this year's budget resolution.

The first item is relative to the commitment in the proposed budget that a 2% COLA is intended for all County staff, effective December 1, 2016. In the Governor's adopted budget, this 2% COLA for State Employees and State-Sponsored Employees (the Constitutional Officers and Employees, Social Services and Voter Registrar) are contingent upon FY16 year-end revenues. If Fiscal Year 2016 ends on a sour note, requiring a re-forecast of state revenues for the 2016-18 biennium, the \$69.1 million in FY17 and the \$121.1 million in FY18 that have been set aside by the General Assembly for salary raises for state employees, teachers, state constitutional officers, and state-supported local employees will be at risk. The first call on these appropriations will be to offset any downward revisions of a new general fund revenue estimate for the biennium. Therefore, the Board might wish to adopt contingent language as part of the budget resolution that the 2% raise for all employees is conditional upon the state providing the 2% for state and state-sponsored employees.

The second item is regarding Clause #5 of the Budget Resolution. The Board has stated that any unspent appropriations in the School Operating Fund will be recorded as reserved fund balance and transferred to the School Capital Fund (Fund 395). Over the past five years, the average amount transferred is approximately \$530,000. The Superintendent has made me aware that the state aid true-up based upon the final ADM numbers is going to be approximately \$260,000 and will be issued in late June as operational funds for the School System for FY2016. Therefore, that number will be added to the traditional end of the year funds so it is possible that this fiscal year's end of year numbers may be around \$650,000 to \$800,000. I am not proposing that the Board alter their approach as outlined in Clause #5 of the Budget Resolution. Rather, I wanted to make you aware that there may be more funds than usual remaining at the end of the fiscal year that will move over to the School Capital Fund. As part of the Board's future consideration of use of the funds from Fund 395, the Superintendent has made me aware of the demographic trend that is moving a larger than expected classes through the system (see attached chart) which may require an investment in portable classrooms to handle this situation. Therefore, the Board may want to take that into consideration when use of Fund 395 is requested by the School Board and should be part of an overall strategy with the School Board. Additionally, I am scheduling the July work session to be a joint meeting with the School Board to discuss the capital needs of the school system and they will be inviting their architect to attend the meeting.

H. Correspondence from Accomack County requesting a Cost Allocation from Northampton County for the new Regional Library:

Enclosed in your FYI packet is a letter from Steven Miner, Accomack County Administrator, requesting Northampton County to consider making a contribution for the construction of the regional library and he has provided a proposed cost allocation to determine a funding level for that contribution. I have enclosed a copy of the Regional Library Agreement which only indicates that the two counties shall discuss capital expenditures but does not commit either locality to a fixed or percentage based contribution.

I. Proposed Policy on the Limitations on the Use of County Funds:

As discussed with the Board during the FY2017 Budget deliberations, the Finance Director and I are recommending the adoption of a policy on the Limitations on the Use of County Funds to identify which items should not be purchased with county funds. We have enclosed a draft policy for consideration by the Board and welcome any input.

J. Elderly/Disabled Exemption Ordinance for BOS Review:

As part of the FY2017 Budget discussions, Supervisor Hogg requested a review of the provisions of the Elderly/Disabled Exemption Ordinance.

I am enclosing several documents for the Board's review in anticipation of this discussion and am proposing that we earmark the August work session for a discussion of this ordinance and if the Board would wish to propose any revisions to the ordinance to send to public hearing.

Enclosed is A.) County's ordinance (I have highlighted the key areas of potential revision which are the total combined income of the owners; the net combined financial worth of the owners; and the exempt schedule table); B) the Code of Virginia §58.1-32.10 et. seq; C.) Section 3 of the Weldon Cooper Tax Rate Comparative Book for 2015 which provides a comparison of what other localities in Virginia propose for this type of exemption.

- K. Discussion of the Parameters of a Business, Professional Occupational License (BPOL):
I am working on a draft BPOL Ordinance for the Board's review and will provide that to you no later than June 14, 2016. I am proposing that we earmark the August work session for a discussion of this potential ordinance and determine if the Board wishes to propose any changes to the draft and if you wish to send this proposed ordinance to public hearing.