

April 7, 2015
12:37 PM

Grayson County
Check Register By Check Date

Page No: 1

Range of Checking Accts: 100GENERAL to Last Range of Check Dates: 03/13/15 to 04/09/15
Report Type: All Checks Report Format: Super Condensed Check Type: Computer: Y Manual: Y Dir Deposit: Y

Check #	Check Date	Vendor	Amount Paid	Reconciled/Void	Ref Num
100GENERAL					
29101	03/31/15	AMER0010 American Heritage Life Ins Co	155.12		38
29102	03/31/15	ANTH0010 Anthem Blue Cross/Blue Shield	32,641.78		38
29103	03/31/15	BOST0005 Boston Mutual Life Ins Co	586.61		38
29104	03/31/15	GRAY0105 Grayson Co Treasurer's Office	5,606.91		38
29105	03/31/15	ING00005 Ing	400.00		38
29106	03/31/15	MINNE005 Minnesota Life	421.55		38
29107	03/31/15	UNIT0010 United Way Virginia Highlands	102.02		38
29108	03/31/15	VALIC005 Valic	2,300.00		38
29109	03/31/15	VAAS0015 VACORP	61.93		39
29110	03/31/15	AFLAC005 Aflac	1,549.31		40
29111	03/31/15	AFLAC005 Aflac	1,549.31		41
29112	03/31/15	AMER0010 American Heritage Life Ins Co	155.12		41
29113	03/31/15	ANTHE005 Anthem Blue Cross/Blue Shield	32,941.99		41
29114	03/31/15	BOST0005 Boston Mutual Life Ins Co	586.61		41
29115	03/31/15	GRAY0105 Grayson Co Treasurer's Office	5,584.06		41
29116	03/31/15	ING00005 Ing	400.00		41
29117	03/31/15	MINNE005 Minnesota Life	421.55		41
29118	03/31/15	UNIT0010 United Way Virginia Highlands	102.02		41
29119	03/31/15	VAAS0015 VACORP	61.93		41
29120	03/31/15	VALIC005 Valic	2,600.00		41
29121	04/04/15	ANTON005 Antonina Marino	61.56		42
29122	04/04/15	APPAL005 Appalachian Power	2,543.36		42
29123	04/04/15	COXS0005 Cox Snax Sales, LLC	182.40		42
29124	04/04/15	PLUMB005 Plumbmaster, Inc	610.60		42
29125	04/04/15	PURCH005 Purchase Power	104.50		42
29126	04/04/15	TOWN0010 Town Of Independence	292.19		42
29127	04/09/15	1908C005 1908 Courthouse Foundation	5,000.00		43
29128	04/09/15	ADAMS005 Adams Building Supply	167.42		43
29129	04/09/15	ANDER005 Anderson & Associates, Inc	420.00		43
29130	04/09/15	APLUS005 A Plus Fire & Safety	207.40		43
29131	04/09/15	APPAL005 Appalachian Power	0.00	04/09/15 VOID	0
29132	04/09/15	APPAL005 Appalachian Power	6,482.18		43
29133	04/09/15	BILLI005 Billie R. Taylor	768.42		43
29134	04/09/15	BKTUN005 Bkt Uniforms	705.90		43
29135	04/09/15	BLUE0010 Blue Ridge Energies, LLC	135.09		43
29136	04/09/15	BLUER010 BLUE RIDGE MASS APPRAISAL CO	9,025.20		43
29137	04/09/15	BRCE005 Brceda	38,047.25		43
29138	04/09/15	CAROL005 Carolina Door & Hardware	21.29		43
29139	04/09/15	CARR0020 Carroll-Grayson-Galax Solid Wa	28,493.00		43
29140	04/09/15	CDWG0005 Cdw - Government	791.81		43
29141	04/09/15	CENT0010 Century Link	1,070.92		43
29142	04/09/15	CENT0015 Century Link	378.39		43
29143	04/09/15	CENTU005 Century Link	1,455.21		43
29144	04/09/15	CINTA005 Cintas Corp, #532	329.50		43
29145	04/09/15	CITY0010 City Of Galax	26,189.29		43
29146	04/09/15	CODYL005 Cody L Wingate	26.00		43
29147	04/09/15	COMCA005 Comcast Corporation	314.26		43
29148	04/09/15	CREAT005 Creative Product Sourcing-Dare	32.50		43
29149	04/09/15	CURTI010 CURTIS CORNETT	40.00		43

Check #	Check Date	Vendor	Amount Paid	Reconciled/Void	Ref Num
100	GENERAL	Continued			
29150	04/09/15	DALYC005 Daly Computers, Inc	14,980.00		43
29151	04/09/15	DANNY005 Danny Smith	190.00		43
29152	04/09/15	DAVEN005 DAVENPORT & COMPANY LLC	2,000.00		43
29153	04/09/15	DELL0005 Dell	528.45		43
29154	04/09/15	DONBD005 Don B. Dudley	225.00		43
29155	04/09/15	ELECT005 Electronic Systems	115.20		43
29156	04/09/15	EROIL005 E&R Oil Company, Inc	15.00		43
29157	04/09/15	FLORE005 Flores & Associates, LLC	1,784.60		43
29158	04/09/15	FOODC005 Food City, Store #866	97.82		43
29159	04/09/15	FREDP005 Fred Pryor Seminars / Career T	299.00		43
29160	04/09/15	GAZET005 Gazette Press, Inc	97.00		43
29161	04/09/15	GINGE005 Ginger Halsey	40.00		43
29162	04/09/15	GLENE005 Glen E Rosenbaum	46.00		43
29163	04/09/15	GLORI005 Gloria Price	256.45		43
29164	04/09/15	GRAY0015 Grayson Co Commonwealth's Atty	500.00		43
29165	04/09/15	GRAY0055 Grayson Co School Board	8,521.42		43
29166	04/09/15	GRAY0060 Grayson Co Sheriff's Office	146.54		43
29167	04/09/15	GREEN005 GREENTECH IMAGING	90.00		43
29168	04/09/15	HOFFM005 Hoffman & Hoffman, Inc.	3,875.00		43
29169	04/09/15	INDE0015 Independence Tire Co	8.10		43
29170	04/09/15	KEYPLO05 Key Plumbing	5,692.00		43
29171	04/09/15	KWIKK005 Kwik Kafe Co, Inc.	230.00		43
29172	04/09/15	LARR0020 Larry's Small Engine Repair	1,178.20		43
29173	04/09/15	LEONA005 Leonard's Copy Systems, Inc	557.60		43
29174	04/09/15	LINGO005 Lingo Networks	171.75		43
29175	04/09/15	LOWES005 Lowe's Home Centers	729.62		43
29176	04/09/15	MANSF005 Mansfield Oil Company	14,663.09		43
29177	04/09/15	MERCE005 Mercer Day Report Center	60.00		43
29178	04/09/15	MODE0010 Modern Impressions	230.00		43
29179	04/09/15	MODER005 Modern Impressions	75.52		43
29180	04/09/15	MTAIR005 Mt Airy Tractor Of Virginia	975.00		43
29181	04/09/15	MWPRI005 M&W Printers, Inc.	1,447.34		43
29182	04/09/15	NEWRO030 New River Valley Reg Jail	45,433.95		43
29183	04/09/15	NWCDO05 Nwcd, Inc	524.80		43
29184	04/09/15	PAPER005 Paper Clip	0.00	04/09/15 VOID	0
29185	04/09/15	PAPER005 Paper Clip	0.00	04/09/15 VOID	0
29186	04/09/15	PAPER005 Paper Clip	1,842.05		43
29187	04/09/15	PEACE005 Peace Of Mind Counseling	420.00		43
29188	04/09/15	PITNE005 Pitney Bowes	196.00		43
29189	04/09/15	PLUMB005 Plumbmaster, Inc	101.14		43
29190	04/09/15	PROFO010 Professional Networks, Inc	12.50		43
29191	04/09/15	QUAL0015 Quality Auto Parts	108.20		43
29192	04/09/15	RESER005 Reserve Account	500.00		43
29193	04/09/15	RIVER005 RIVER CITY SUPPLY LLC	93.67		43
29194	04/09/15	ROMAR005 Romar Elevators, Inc	31,225.00		43
29195	04/09/15	SAFLA005 Saflab	55.50		43
29196	04/09/15	SANDS005 Sands Anderson Pc	1,947.38		43
29197	04/09/15	SOUT0025 Southern Software, Inc	10,423.00		43
29198	04/09/15	SPRIN005 Spring Valley Graphics	295.00		43
29199	04/09/15	SRCA005 SE Rural Comm Assist Project	819.50		43
29200	04/09/15	STATE005 State Electric Supply Co	628.71		43
29201	04/09/15	SUNT0010 Suntrust Bank	0.00	04/09/15 VOID	0

Check #	Check Date	Vendor	Amount Paid	Reconciled/Void	Ref Num
100GENERAL		Continued			
Report Totals					
		Paid	Void	Amount Paid	Amount Void
	Checks:	140	5	395,852.72	0.00
	Direct Deposit:	0	0	0.00	0.00
	Total:	140	5	395,852.72	0.00

April 7, 2015
12:37 PM

Grayson County
Check Register By Check Date

Page No: 3

Check #	Check Date	Vendor	Amount Paid	Reconciled/Void	Ref Num
100GENERAL		Continued			
29202	04/09/15	SUNTO010 Suntrust Bank	0.00	04/09/15 VOID	0
29203	04/09/15	SUNTO010 Suntrust Bank	9,724.61		43
29204	04/09/15	SUSA0015 Susan Herrington	388.08		43
29205	04/09/15	SUSA0020 Susan Hodges	483.00		43
29206	04/09/15	THEDE005 The Declaration	278.13		43
29207	04/09/15	THEFR005 THE FRAMER'S DAUGHTER	107.66		43
29208	04/09/15	THEGU005 The Gun Shop	428.89		43
29209	04/09/15	THELA005 The Lane Group	2,750.00		43
29210	04/09/15	TOWN0010 Town Of Independence	294.94		43
29211	04/09/15	TOWN0020 Town Of Troutdale - Water	470.00		43
29212	04/09/15	TREA0010 Treasurer Of Virginia	20.00		43
29213	04/09/15	TREAS005 Treasurer Of Va - Dept Gen Ser	151.00		43
29214	04/09/15	TRICO005 Tri-County Glass, Inc	235.00		43
29215	04/09/15	USCEL005 Us Cellular	2,476.42		43
29216	04/09/15	VABU0010 VBCOA	40.00		43
29217	04/09/15	VADE0030 Va Dept Of Ag & Consumer Serv	85.00		43
29218	04/09/15	VAINF005 Va Information Tech Assoc	174.44		43
29219	04/09/15	VERIZ005 Verizon Wireless	640.16		43
29220	04/09/15	WILLI005 William Joe Cox	40.00		43
29221	04/09/15	WINAN005 Winans Tech	327.00		43
29222	04/09/15	WORKF005 WORKFORCE UNLIMITED, LLC	558.45		43
29223	04/09/15	XEROX005 Xerox Corporation	892.88		43
29224	04/09/15	ABPRI005 A & B Printing	433.25		44
29225	04/09/15	APPAL005 Appalachian Power	200.00		44
29226	04/09/15	BANK0005 Bank Of Marion - Visa	1,611.51		44
29227	04/09/15	BRIST005 Bristol Office Supply, Inc	48.56		44
29228	04/09/15	CENTU005 Century Link	51.95		44
29229	04/09/15	CHAR0010 Charles Brown	20.00		44
29230	04/09/15	GARYU005 Gary Umberger	80.85		44
29231	04/09/15	GRAY0105 Grayson Co Treasurer'S Office	643.68		44
29232	04/09/15	JAMES005 James Bruce	71.61		44
29233	04/09/15	JLREE005 J.L. Reedy	215.60		44
29234	04/09/15	MARIA005 Marian Combs	166.32		44
29235	04/09/15	PURCH005 Purchase Power	620.00		44
29236	04/09/15	RALPH005 Ralph Price	1,800.00		44
29237	04/09/15	RAYME005 Ray Melton	90.09		44
29238	04/09/15	SMYTH005 Smyth Co News	45.00		44
29239	04/09/15	SOUT0045 Southwest Shredding	84.20		44
29240	04/09/15	TOWN0015 Town Of Marion	50.04		44
29241	04/09/15	VAALC005 Va Alcohol Safety Action Progr	1,022.88		44
29242	04/09/15	VAINF005 Va Information Tech Assoc	56.85		44
29243	04/09/15	WALMA005 Walmart Community	6.88		44
29244	04/09/15	WYTH0010 Wytheville Community College	150.00		44
29245	04/09/15	WYTH0015 Wytheville office Supply	1,242.23		44
Checking Account Totals		Paid	Void	Amount Paid	Amount Void
	Checks:	140	5	395,852.72	0.00
	Direct Deposit:	0	0	0.00	0.00
	Total:	140	5	395,852.72	0.00

Totals by Year-Fund					
Fund Description	Fund	Expend Total	Revenue Total	G/L Total	Total
General Fund	5-100	237,618.05	0.00	88,103.96	325,722.01
CAPITAL IMPROVEMENT	5-355	34,375.00	0.00	0.00	34,375.00
Water - Fairview/Oldtown	5-501	23,074.52	0.00	0.00	23,074.52
Water - grant	5-502	1,616.68	0.00	0.00	1,616.68
	Year Total:	296,684.25	0.00	88,103.96	384,788.21
	X-225	520.76	0.00	0.00	520.76
	X-252	1,784.60	0.00	0.00	1,784.60
	X-714	8,759.15	0.00	0.00	8,759.15
	Year Total:	11,064.51	0.00	0.00	11,064.51
Total of All Funds:		307,748.76	0.00	88,103.96	395,852.72

Totals by Fund					
Fund Description	Fund	Expend Total	Revenue Total	G/L Total	Total
General Fund	100	237,618.05	0.00	88,103.96	325,722.01
	225	520.76	0.00	0.00	520.76
	252	1,784.60	0.00	0.00	1,784.60
CAPITAL IMPROVEMENT	355	34,375.00	0.00	0.00	34,375.00
Water - Fairview/Oldtown	501	23,074.52	0.00	0.00	23,074.52
Water - grant	502	1,616.68	0.00	0.00	1,616.68
	714	8,759.15	0.00	0.00	8,759.15
Total of All Funds:		307,748.76	0.00	88,103.96	395,852.72

Fund Description	Fund	Current	Prior Rcvd	Prior Open	Paid Prior	Fund Total
General Fund	5-100	237,618.05	0.00	0.00	0.00	237,618.05
CAPITAL IMPROVEMENT	5-355	34,375.00	0.00	0.00	0.00	34,375.00
Water - Fairview/Oldtown	5-501	23,074.52	0.00	0.00	0.00	23,074.52
Water - grant	5-502	1,616.68	0.00	0.00	0.00	1,616.68
	Year Total:	296,684.25	0.00	0.00	0.00	296,684.25
	X-225	520.76	0.00	0.00	0.00	520.76
	X-252	1,784.60	0.00	0.00	0.00	1,784.60
	X-714	8,759.15	0.00	0.00	0.00	8,759.15
	Year Total:	11,064.51	0.00	0.00	0.00	11,064.51
Total of All Funds:		307,748.76	0.00	0.00	0.00	307,748.76

Grayson County Board of Supervisors
Regular Meeting
April 9, 2015

Members attending were: David M. Sexton, Brenda R. Sutherland, Kenneth R. Belton, John K. Brewer and Glen E. Rosenbaum.

IN RE: CONSENT AGENDA

Kenneth R. Belton made the motion to remove the presentation listed under reports, presentations or requests by Mr. Oscar Valentine – President, Grayson County EMS Association, as he could not attend, and also to add legal matter under Closed Session; duly seconded by Brenda R. Sutherland. Motion carried 5-0.

John K. Brewer moved to approve the consent agenda; duly seconded by Glenn E. Rosenbaum. Motion carried 5-0.

IN RE: REPORTS, PRESENTATIONS OR REQUESTS

Mr. James Parks, Grange Master of the Grant Grange Computing Center gave a third quarter update on the Center. The computer center was open for public use for an average of 30 hours per week for 12 weeks and a total of 361.5 hours for the quarter. The computer center was closed six (6) days for inclement weather and 1.5 days for holidays. During the quarter, the computer center averaged 44.5 users per week. There are five (5) regular volunteers who worked 340 hours and two (2) alternate volunteers who worked 37.5 hours for a total of 377.5 hours worked this quarter. The Goodwill Grange elected Wilma Reedy, Computer Center Volunteer Coordinator, and Citizen of the Year for her contributions to the community through her volunteer work. This quarter Wilma has logged 127 hours at the center and countless hours at the Grange. For the quarter, total revenue equaled \$1,930.66 and total expenditures equaled \$1,819.59. Since last report, the following changes and/or improvements have been accomplished:

- The Goodwill Grange hosted its annual Spring Dinner at which time they dedicated the computer center conference room in Mike Maynard's honor and also presented his wife with a plaque of appreciation for all he did for the Grange, the computer center and the community.
- A multi-card reader for various SD cards, cell phone cards, etc., is available for use in the center.

- Replaced HP Color LaserJet CP3525X damaged fuser and performed routine maintenance and cleaning to all equipment ~ so far we have not had to use the services of the County IT tech.
- The Goodwill Grange is purchasing outdoor signage which will include the Grant Computer Center and a letter board for messaging

The following changes and/or improvements are planned for the future:

- Implement a youth volunteer program to provide area youths with experience in working with the public. We are currently discussing participation in a youth volunteer program at the computer center with a local Girl Scout troop. Guidelines are being developed.
- Replace worn office chairs.
- Replace outdated and inadequate modem.
- Fundraisers to help offset operating costs.

The Grant Computer Center subcommittee will continue to submit quarterly reports to the Board of Supervisors and/or as requested. The subcommittee meets on the first Tuesday of each month at 7:00 p.m. in the Mike Maynard Conference Room at the Grant Computer Center. The public is welcome.

IN RE: OLD BUSINESS

None

IN RE: NEW BUSINESS -

NUCKOLLS CURVE WATER SYSTEM EXTENSION PROJECT – CONTRACT EXECUTION
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT (CDBG)

Jonathan D. Sweet explained that all the necessary steps have been completed for the CDBG contract (listed below). John K. Brewer made the motion to approve signage of the contract; duly seconded by Glen E. Rosenbaum. Roll call vote as follows: John K. Brewer – Aye; Glen E. Rosenbaum – Aye; Kenneth R. Belton – Aye; Brenda R. Sutherland – Aye; David M. Sexton – Aye. Motion carried 5-0.

CONTRACT #14-11

AGREEMENT

This AGREEMENT, entered into as of this **23rd day of January, 2015**, by and between the Virginia Department of Housing and Community Development hereinafter referred to as "DHCD" and GRAYSON COUNTY hereinafter referred to as "GRANTEE."

WITNESSETH

WHEREAS, the Commonwealth of Virginia has been authorized to distribute and administer Community Development Block Grant (CDBG) funds pursuant to the Housing and Community Development Act of 1974, as amended, and

WHEREAS, DHCD has been authorized by the Governor of the Commonwealth of Virginia to distribute and administer CDBG funds in the form of COMMUNITY IMPROVEMENT GRANTS (CIG) according to the CDBG Program Design, and

WHEREAS, the PROJECT as described in the Community Improvement Grant Proposal as submitted by the GRANTEE has achieved a sufficiently high ranking through a competitive proposal selection system to qualify for Community Improvement Grant funding on the basis of the CDBG Program Design,

Now THEREFORE, the above-mentioned parties hereto do mutually agree as follows:

1. DHCD agrees to award the GRANTEE a COMMUNITY IMPROVEMENT GRANT in an amount of the total allowable, eligible costs in carrying out the ACTIVITIES included in Products herein described not to exceed **\$259,755.00 (Two Hundred Fifty-Nine Thousand Seven Hundred Fifty-Five dollars)**.
2. DHCD agrees to provide the GRANTEE with technical assistance in setting up and carrying out the administration of its COMMUNITY IMPROVEMENT GRANT.
3. The GRANTEE will commence, carry out and complete the following Products (more thoroughly described in the GRANTEE'S CIG Proposal).

PROJECT TITLE: **Nuckolls Curve Water Line**

OUTCOMES: **This project will provide potable and reliable drinking water To 27 households through the provision of public water service.**

BENEFITS: **27 households (62 Persons) of which, 19 are low- and moderate-income (LMI) (47 Persons)**

PRODUCT(S): **1) Installation of 33,700 LF of 8" water line;
2) Installation of 3 fire hydrants; and
3) Installation of 22 residential water meters.**

1

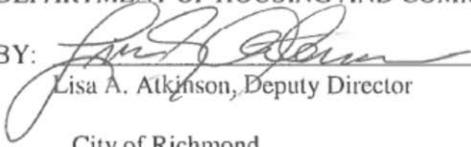
4. The aforementioned PROJECT shall be carried out, and grant payments made in strict conformance with the CONTRACT DOCUMENTS.
5. The GRANTEE will use the lesser of (1) the amount specified above, or (2) if, at total PROJECT completion, there are cost underruns or project savings, these costs shall revert to the Department of Housing and Community Development and other funding sources committed to the PROJECT in the CIG proposal on a proportional basis, unless superseded by other federal program requirements. In no case will leveraged funds be returned beyond that amount which would have changed the PROJECT'S ability to be funded initially.

6. The GRANTEE will initiate the PRODUCT(S) required by the CONTRACT DOCUMENTS beginning **January 23, 2015**, unless grant Special Conditions require additional action on specified PRODUCT(S) before proceeding with that PRODUCT(S). In such instances the GRANTEE will initiate action relative to removal of the Special Conditions beginning with the execution of this AGREEMENT.
7. The GRANTEE shall complete the work as described in the CONTRACT DOCUMENTS within **24** months of the execution of this AGREEMENT, or more specifically on or before **January 22, 2017**. If the PRODUCTS are not completed by that date all CIG funding and this AGREEMENT shall be terminated and the Grantee shall return all unexpended funds, unless an amendment to the CONTRACT DOCUMENT provides otherwise.
8. DHCD agrees to make payment to the GRANTEE upon receipt of a properly completed and signed invoice. Requests for Payment may be made, allowing approximately twenty-one days to receive the funds. Funds are to be immediately disbursed by the GRANTEE and shall not be deposited in an interest-bearing account.
9. The term CONTRACT DOCUMENTS means the following documents which are a part of this AGREEMENT and are incorporated by reference herein as if set out in full.
 - A. GRANTEE'S CIG Proposal (including revisions);
 - B. AGREEMENT;
 - C. SPECIAL CONDITIONS;
 - D. GENERAL CONDITIONS;
 - E. ASSURANCES;
 - F. AMENDMENTS;
 - G. CIG GRANT MANAGEMENT MANUAL (Those items specified as being required);
 - H. CIG CONTRACT NEGOTIATION RECORD; and
 - I. PROJECT MANAGEMENT PLAN.

2

In witness whereof, the parties hereto have executed or caused to be executed by their duly authorized official this AGREEMENT in duplicate, each copy of which will be deemed an original.

COMMONWEALTH OF VIRGINIA,
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

BY:  DATE: 3-12-15
Lisa A. Atkinson, Deputy Director

City of Richmond,
Commonwealth of Virginia

I do certify that Lisa A. Atkinson personally appeared before me and made oath that she is Deputy Director of the Department of Housing and Community Development and that she is duly authorized to execute the foregoing document.

My commission expires: April 30, 2016

Given under my hand this 12th day of March, 2015.

Keira Johnson
Notary Public

7167208
Registration Number



GRAYSON COUNTY, VIRGINIA

BY: _____ DATE: _____
Jonathan D. Sweet, County Administrator

City/County/Town of _____,
Commonwealth of Virginia

I do certify that Jonathan D. Sweet personally appeared before me and made oath that he is County Administrator of the Grayson County and that he is duly authorized to execute the foregoing document.

My commission expires: _____

Given under my hand this _____ day of _____, 2015.

Notary Public

Registration Number

SPECIAL CONDITIONS

1. The Project Management Team shall meet regularly (at least monthly) to properly monitor the Project's progress. The Team will review its Project Management Plan to determine if the project is being implemented according to the projected plan. The plan will be updated promptly in recognition of a deviation from projections and DHCD will be notified.
2. DHCD reserves the right to end funding at any point should the project prove nonviable. This includes, but may not be limited to, lack of progress in conformance with the approved Project Management Plan.
3. Monthly progress reports must be submitted to DHCD. These reports must document funds expended and obligated to date and the actions taken on key benchmarks that support the successful completion of the project.
4. DHCD reserves the right to receive additional documentation pertaining to construction, professional service, non-professional service or other contracts obligating CDBG funds prior to approving drawdown requests.
5. All LMI households must be connected to the system at no charge.

6. Any homes lacking indoor plumbing must be rehabilitated.
7. CDBG offer will not exceed \$12,500.00 per household connected or \$259,000.00, whichever is less.
8. As the Centralized Application and Management System (CAMS) is implemented, at a minimum, the following must be observed:
 - a. The original executed Grant Agreement, Certification of Signatures and Address and Project Management Plan must be mailed to DHCD. Copies must also be uploaded into "Projects and Reports" in CAMS.
 - b. All products required by this contract must be uploaded into "Projects and Reports" in CAMS.
 - c. The Project Management Team shall conduct regular meetings. Copies of the meeting agendas and minutes must be uploaded into "Projects and Reports" in CAMS.
 - d. All draw down requests must be submitted through "Remittance" in CAMS.
 - e. If products are submitted at the same time as a draw down request, the explanation text box at the bottom of the Remittances screen must note this fact.
 - f. The original executed Final Financial Report must be mailed to DHCD. A copy must also be uploaded into "Projects and Reports" in CAMS.
 - g. All annual financial audit reports or required by this contract shall be submitted through CAMS.

GENERAL CONDITIONS

1. DEFINITIONS - Whenever used in the CONTRACT DOCUMENTS the following terms when written in all capital letters shall have the meanings indicated and shall be applicable to both the singular and plural thereof:
 - A. AMENDMENT - A formal addition or modification to the CONTRACT DOCUMENTS which has been approved in writing by both parties, and which affects the scope, objectives or completion date of the PROJECT, or which affects the manner in which the PROJECT is to be carried out.
 - B. APPLICANT - The entity which made the proposal for COMMUNITY IMPROVEMENT GRANT funding and accepted responsibility for assuring compliance and performance of all conditions.
 - C. ASSURANCES - The ASSURANCES which are attached to this document.
 - D. COMMUNITY IMPROVEMENT GRANT (CIG) - The funds, the PROJECT and PRODUCTS to be funded, and all conditions, laws and regulations affecting administration of funds currently in effect or as subsequently amended, and provided by DHCD to the GRANTEE from Community Development Block Grant funds allocated by the U.S. Department of Housing and Urban Development.
 - E. CONTRACT DOCUMENTS - The legal agreement between DHCD and the GRANTEE including the AGREEMENT and all documents referenced in paragraph 9 thereof.
 - F. GRANTEE - The entity which is the recipient of CIG funds and as such must comply with CONTRACT DOCUMENTS.

- G. **MANUAL** - The Community Improvement Grant Management Manual, which contains required forms and instructions for the administration of CIG's and provides required and non-required procedures for project management.
- H. **PRODUCT** - A **PROJECT** activity which constitutes a specific portion of the **PROJECT**, and as such is covered by its own budget.
- I. **PROJECT** - The physical activities undertaken to meet the overall stated objective for which CIG funding is utilized.
- J. **PROJECT MANAGEMENT PLAN** - A plan prepared by the Grantee, which identifies roles, responsibilities, method of contract administration and oversight, key dates for task implementation and completion, analysis of potential problems and management organization.
- K. **WORK** - All labor, equipment and materials necessary to produce the construction of the **PROJECT** as required by the **CONTRACT DOCUMENTS**.

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- L. **WRITTEN NOTICE** - Any notice from one party to the **AGREEMENT** to the other signed by an authorized official which transmits binding statements of fact or condition and is delivered to the appropriate authorized official either in person or through the United States mail.
2. **ADMINISTRATIVE PROCEDURES** - The **GRANTEE** shall perform all contracted **WORK** and administer all grant funds and activities in conformance with the general terms and special conditions set forth where required in DHCD's **MANUAL**, and any **WRITTEN NOTICES** from DHCD.
 3. **ACCOUNTING RECORDS** - The **GRANTEE** shall establish and maintain separate accounts within its existing accounting system or set up accounts independently which are in conformity with the requirements of the Code of Federal Regulations (24 CFR Part 85), the DHCD **MANUAL** requirements and any **WRITTEN NOTICES** from DHCD. The **GRANTEE** shall record in its accounting system all Grant payments received by it pursuant to this Grant and all other funds provided for, accruing to, or otherwise received on account of the Grant.

All costs, including paid services contributed by the **GRANTEE** or others, charged to the Grant shall be supported by properly executed payrolls, time records, invoices, contracts, or vouchers evidencing in proper detail the nature and propriety of the charges. All checks, payrolls, invoices, contracts, vouchers, orders, or other accounting documents pertaining in whole or in part to the Grant shall be clearly identified, readily accessible, and separate and distinct from all other such documents. Such documents shall reside at the offices of the **GRANTEE** locality.
 4. **COSTS INCURRED PRIOR TO GRANT AGREEMENT EXECUTION** - No costs incurred prior to the execution of the **AGREEMENT** shall be eligible for reimbursement with Grant funds, unless such incurred costs are authorized in writing by DHCD.
 5. **PROGRAM BUDGET** - The **GRANTEE** shall carry out activities and incur costs only in conformance with the latest approved budget for the Grant and subject to the provisions of these **CONTRACT DOCUMENTS**. The budget may be revised through Administrative Procedures detailed in the **MANUAL**, but no such budget or revision shall be effective unless and until the Department shall have approved the same in writing or as indicated in item 16 of these General Conditions.

6. RECORDS - The GRANTEE shall maintain such records in such a manner as prescribed in the MANUAL. Records shall be readily accessible to DHCD, appropriate State and Federal agencies, and the general public during the course of the project and shall remain intact and accessible for five years from final closeout. Except if any litigation claim or audit is started before the expiration of the five year period the records shall be retained until such action is resolved. Notwithstanding, records of any nonexpendable property must be retained for a five year period following final disposition.

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7. REPORTS - The GRANTEE shall furnish, regularly and in such form as DHCD may require, reports concerning the status of project activities and grant funds. Such reports shall be submitted in the form and manner as prescribed in the MANUAL and in WRITTEN NOTICES from DHCD.

All reports shall be completed in full and submitted at the time prescribed by DHCD. Reports shall contain accurate information and shall detail any problems, delays or adverse conditions experienced.

8. QUALITY CONTROL - The GRANTEE accepts the responsibility to assure that all grant funded PRODUCTS shall be implemented with the highest possible degree of competence, workmanship, quality and cost effectiveness. To this end the GRANTEE shall provide a system of quality control to include all aspects of grant administration and project implementation.

The GRANTEE shall obtain a certification of inspection and final completion signed by the project engineer or by the person responsible for quality control at the completion of each construction ACTIVITY.

9. COMMUNICATIONS - WRITTEN NOTICES shall constitute the only means of binding statements of fact or condition between the parties of this agreement. All required reports and requests to be issued by the GRANTEE must be made by way of a WRITTEN NOTICE unless other means are specified in the CONTRACT DOCUMENTS. *Please note that project-specific technical assistance provided via email does NOT have the weight of official WRITTEN NOTICE. Rather, it is comparable to oral technical assistance discussions.* All directives, findings and other formal issuance by DHCD must be transmitted through a WRITTEN NOTICE unless otherwise specified in the CONTRACT DOCUMENTS.

WRITTEN NOTICES shall be signed by and addressed to the appropriate authorized official and shall be considered transmitted when delivered in person or through the United States mail.

The GRANTEE shall act upon and respond to WRITTEN NOTICES promptly as directed.

10. ACCESS TO BENEFITS - No access or connection fees shall be charged to low- and moderate-income persons for access to improvements or benefits provided by grant funds. All low- and moderate-income persons identified in the proposal shall be assured access to and use of grant assisted improvements by regular user charges for the specified service.
11. BENEFITS - The PROJECT shall be implemented in such a manner so as to provide benefits to all persons identified in the project proposal. Affirmative steps shall be taken to assure direct benefit to low- and moderate-income persons in the number and extent identified in the proposal.

12. PROGRAM INCOME - Any income derived from activities financed with grant funds is program income and shall be utilized in the following manner:

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- A. Program income earned during the life of the grant is considered Active Program Income. It must be tracked by contract year. A contract year begins with the effective date of the contract and concludes 364 days later. Grantees shall track all Program Income based on the date that it is earned and report said amounts to DHCD when requested. When Active Program Income exceeds \$25,000 in any given contract year, 100% of that income earned must be spent immediately for eligible project expenses in lieu of drawing down funds. The Grantee may be able to access the total amount of CDBG funds in the grant agreement provided the Grantee has an approved Program Income Plan, the project is completed in a timely manner, and there are eligible project expenses that can be incurred in delivering products consistent with the CDBG grant agreement.

When Active Program Income is less than \$25,000 in a given contract year, it does not have to be expended immediately. It may be held in an interest bearing account. The Active Program Income and interest earned from it must be tracked by the Grantee. All Active Program Income earned in given program years in amounts of under \$25,000 per year can accumulate until the end of the project. The cumulative amount of these funds shall be used on eligible CDBG project activities at the end of the project. In these cases, the Grantee may use the program income in addition to the total amount of CDBG funds in the grant agreement provided the Grantee has an approved Program Income Plan, the project is completed in a timely manner, and there are eligible project expenses that can be incurred in delivering products consistent with the CDBG grant agreement. Funds remaining at Administrative Closeout of the grant must be returned to DHCD.

- B. Income earned after Administrative Closeout is considered Inactive Program Income. Inactive Program Income must be returned to DHCD, unless DHCD has approved a Program Income Plan. Program Income Plans will only be approved when the Plan proposes to continue the same activity in the same location that originally produced the program income. Inactive Program Income may be accumulated indefinitely and for undetermined amounts until such time that the balance has reached a level to undertake CDBG eligible activities designated in the approved Program Income Plan that governs the expenditures of Inactive Program Income. Grantees must report program expenditures and receipts to DHCD for any year where more than \$25,000 is received.
13. CONTRACT SECURITY - The GRANTEE shall secure all materials and equipment, purchased or paid for with grant funds through insurance coverage of the full value of the same.

All persons contracted, employed or otherwise utilized in the grant and having responsibility for the management, disposition, expenditure or use of Grant funds shall be bonded by a surety registered to do business in the Commonwealth of Virginia in an amount commensurate with their authority and potential liability.

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14. **METHOD AND TIMING OF PAYMENT** - The GRANTEE shall utilize Request for Payment procedures as specified in the MANUAL. The GRANTEE shall request funds only for those amounts which have been obligated, encumbered or expended through other accounts and which can be expended upon receipt or soon thereafter. To this end, the GRANTEE shall develop a financial management system which provides for timely expenditure of requested grant funds.
15. **DRAWDOWN AND PAYMENT OF GRANT FUNDS** - Drawdowns and expenditure of CDBG funds must be made subsequent to or in proportion to other funds within the budget per activity, and in accord with an agreed-upon pay-for-performance schedule.
16. **BUDGET REVISIONS/AMENDMENTS** - The GRANTEE shall not obligate, encumber, spend or otherwise utilize CIG funds for any activity or purpose not included or not in conformance with the budget as apportioned and as submitted to DHCD unless the GRANTEE has received explicit approval by WRITTEN NOTICE from DHCD to undertake such actions.
17. **CHANGE ORDERS** - DHCD must approve all change orders on construction contracts. Any change order, regardless of cost, which results in a change of project scope, will be a disallowed cost.
18. **TERMINATION, SUSPENSION, CONDITIONS** -

- A. **FOR CAUSE** - If through any cause, the GRANTEE or DHCD fails to comply with the terms, conditions or requirements of the CONTRACT DOCUMENTS the other party may terminate or suspend this AGREEMENT by giving WRITTEN NOTICE of the same and specifying the effective date of termination or suspension at least five (5) days prior to such action.

If, after the effective date of any suspension of this AGREEMENT, it is mutually agreeable to DHCD and the GRANTEE upon remedy of any contract violation by the GRANTEE or DHCD, the suspension may be lifted and the AGREEMENT shall be in full force and effect at a specified date after the parties have exchanged WRITTEN NOTICES stating a mutual understanding that the cause for suspension has been identified, agreed to and remedied.

In the case of contract violations by the GRANTEE, DHCD may impose conditions other than termination or suspension which are appropriate to ensure proper grant and project administration and adherence to the terms of the CONTRACT DOCUMENTS. Such conditions must be imposed through WRITTEN NOTICE.

- B. **FOR CONVENIENCE** - DHCD may terminate this AGREEMENT for convenience in the event that DHCD is no longer authorized as an agency to administer the CDBG program or if the federal funds allocated are no longer available.

The GRANTEE may terminate this AGREEMENT for convenience at any time provided that all of the following conditions are met:

- i. The GRANTEE gives DHCD ten (10) days WRITTEN NOTICE; and
- ii. The PRODUCTS which have been initiated either have been completed and may be utilized in their stage of completion in a manner consistent with the objectives in the GRANTEE'S CIG Proposal, or will be completed by the GRANTEE through its own or other resources; and

iii. The GRANTEE had honored or will honor all contractual obligations to third parties affected by the PROJECT; and

iv. DHCD agrees to the termination.

A GRANTEE'S valid termination for convenience in accordance with these CONTRACT DOCUMENTS shall not affect nor prejudice the GRANTEE'S future relationship with DHCD nor its future consideration as a CIG recipient.

19. SUBSEQUENT CONTRACTS - The GRANTEE shall remain fully obligated under the provisions of the CONTRACT DOCUMENTS notwithstanding its designation of any subsequent or third parties for the undertaking of all or part of the PRODUCTS for which the Grant assistance is being provided to the GRANTEE.

Any GRANTEE or CONTRACTOR or SUBCONTRACTOR which is not the APPLICANT shall comply with all the lawful requirements of the APPLICANT necessary to ensure that the PROJECT for which this assistance is being provided under this AGREEMENT is carried out in accordance with the APPLICANT'S Assurances and Certifications.

Grantees shall obtain a financial disclosure report from all contractors, subcontractors, developers, and consultants which certifies the financial interest of all officers, directors, principal stockholders, or other persons who will have a \$50,000 or 10 percent or greater interest in the contract whichever is lower.

20. POLITICAL ACTIVITY PROHIBITED - None of the funds, materials, property or services contributed by the DHCD or the GRANTEE, under this AGREEMENT, shall be used in the performance of this AGREEMENT for any partisan political activity, or to further the election or defeat of any candidate for public office.
21. INTEREST OF MEMBER OF AGENCY AND OTHERS - No officer, member, or employee of the GRANTEE and no member of its governing body, and no other public official of the governing body of the locality or localities in which the PROJECT is situated or being carried out, who exercises any functions or responsibilities in the review or approval of the undertaking or carrying out of this PROJECT shall participate in any decision relating to this AGREEMENT which affects his personal interest or have any

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personal or pecuniary interest, direct or indirect, in this AGREEMENT or the proceeds thereof.

22. OFFICIALS NOT TO BENEFIT - No member of or delegate to the Congress of the United States of America and no Resident Commissioner shall be admitted to any share or part hereof or to any benefit to arise therefrom.
23. CERTIFICATIONS - The GRANTEE certifies that it will comply with the following:
- A. Freedom of Information Act;
 - B. Virginia Conflict of Interest Act; and
 - C. Virginia Fair Employment Contracting Act.

24. **BENEFICIARIES** - There are no third party beneficiaries of this AGREEMENT. The provisions contained in these CONTRACT DOCUMENTS represent the entire AGREEMENT between DHCD and the GRANTEE. The provisions are designed to assist in meeting the community needs of the GRANTEE identified in the GRANTEE'S CIG proposal, but are not designed to accrue to the specific benefit of any individual person or entity residing or located in the GRANTEE'S community or elsewhere. Consequently, the terms of these CONTRACT DOCUMENTS may be enforced by DHCD or the GRANTEE exclusively and not by any individual person or entity residing or located in the GRANTEE'S community or elsewhere as a third-party beneficiary of this contract.

ASSURANCES/CERTIFICATIONS

The GRANTEE hereby assures and certifies that:

1. It possesses legal authority to execute the PROJECT.
2. Its governing body has duly adopted or passed as an official act a resolution, motion, or similar action authorizing the filing of the PROJECT proposal including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the GRANTEE to act in connection with the PROJECT proposal and to provide such additional information as may be required.
3. Its chief executive officer or other officer of GRANTEE approved by the Virginia Department of Housing and Community Development:
 - a. Consents to assume the status of a responsible Federal official under the National Environmental Policy Act of 1969 (NEPA) and other provisions of Federal law, as specified at 24 CFR 58.5(a) through (h) which further the purposes of NEPA insofar as the provisions of such Federal law apply to this Grant;
 - b. Is authorized and consents on behalf of the GRANTEE and himself to accept the jurisdiction of the Federal and Commonwealth of Virginia courts for the purpose of enforcement of his responsibilities as such an official.
4. It will comply with the regulations, policies, guidelines and requirements of the Code of Federal Regulations (24 CFR Part 85), OMB Circular A-133 and OMB Circular A-87, as amended or replaced from time to time, as they relate to the PROJECT, acceptance, and use of Federal funds under this Grant; and, as applicable, all State laws and administrative requirements which may supersede them (by virtue of being more stringent).
5. It will comply with the provisions of Executive Order 11988, relating to evaluation of flood hazards and Executive Order 12088 relating to the prevention, control and abatement of water pollution.
6. It will require buildings or facilities designed, constructed, or altered with funds provided under this Grant to comply with the "American Standard Specifications for Making Buildings and Facilities Accessible to, and Usable by, the Physically Handicapped," Number A-117.1-R 1980, or Uniform Federal Accessibility Standards (UFAS) in accordance with the Virginia Uniform Statewide Building Code. The GRANTEE will be responsible for conducting inspections to insure compliance with these specifications by the contractor.

7. It will not recover the capital costs for public improvements financed in whole or in part with CDBG funds through assessments against properties owned and occupied by low- and moderate- income persons nor will fees or assessments be charged to such persons as a condition of obtaining access to the public improvements. (Per section 104(b) (5) of Title I Housing and Community Development Act of 1974, as amended.)

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8. In accordance with Section 104(l) of Public Law 93-383 the Housing and Community Development Act, as amended, certifies that: it has adopted and is enforcing a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations and a policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is subject of such nonviolent civil rights demonstration within its jurisdiction.
9.
 - a. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
 - b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
 - c. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subgrantees shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U. S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

10. It will comply with:
 - a. Title VI of the Civil Rights Act of 1964 (Pub. L 88-352), and the regulations issued pursuant thereto (24 CFR Part 1), which provides that no person in the United States shall on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any

program or activity for which the grantee receives Federal financial assistance and will immediately take any measure necessary to effectuate this assurance. If any real property or structure thereon is provided or improved with the aid of Federal financial assistance extended to the grantee, this assurance shall obligate the grantee, or in the

case of any transfer of such property, any transferee, for the period during which the real property or structure is used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits.

- b. Title VIII of the Civil Rights Act of 1968 (Pub. L. 90-284), as amended, administering all programs and activities relating to housing and community development in a manner to affirmatively further fair housing; and will take action to affirmatively further fair housing in the sale or rental of housing, the financing of housing, and the provision of brokerage services.
 - c. Section 109 of Title I of the Housing and Community Development Act of 1974, as amended, and the regulations issued pursuant thereto (24 CFR Part 570.602), which provides that no person in the United States shall, on the grounds of race, color, national origin, or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole or part with funds provided under this Grant. Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 or with respect to an otherwise qualified handicapped individual as provided in Section 504 of the Rehabilitation Act of 1973 shall also apply to this Grant.
 - d. Executive Order 11063 on equal opportunity in housing and nondiscrimination in the sale or rental of housing built with Federal assistance.
 - e. Executive Order 11246, and the regulations issued pursuant thereto (41 CFR Chapter 60), which provides that no person shall be discriminated against on the basis of race, color, religion, sex or national origin in all phases of employment during the performance of Federal or federally assisted construction contracts. Contractors and subcontractors on Federal and federally assisted construction contracts shall take affirmative action to insure fair treatment in employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination, rates of pay or other forms of compensation and selection for training and apprenticeship.
 - f. Section 906 of Public Law 100-625 (Cranston-Gonzalez National Affordable Housing Act) which prohibits discrimination on the basis of religion or religious affiliation. No person shall be excluded from participation in, denied the benefit of, or be subjected to discrimination under any program or activity funded in whole or in part with CDBG funds on the basis of his or her religion or religious affiliation.
11. It will comply with Section 3 of the Housing and Urban Development Act of 1968, as amended, requiring that to the greatest extent feasible opportunities for training and employment be given to lower-income residents of the project area and contracts for work in connection with the project be awarded to eligible business concerns which are located in, or owned in substantial part by, persons residing in the area of the PROJECT.

12. It will in the acquisition of real property and in the process of relocation:

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- a. Be guided, to the greatest extent practicable under State law, by the land acquisition policies in Sections 301 and 302 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970; as amended, and
 - b. Pay or reimburse property owners for necessary expenses as specified in Section 303 and 304 of the Uniform Act; and
 - c. Comply with the applicable Sections (202 through 205) of Title II (relocation assistance) of the Uniform Act in providing relocation payments and relocation assistance; and
 - d. Comply with U.S. Department of Transportation regulations at 49 CFR Part 24 and in implementing the requirements, it will:
 - i. Carry out the policies and procedures of Part 24 in a manner that insures that the acquisition and relocation processes do not result in different or separate treatment to persons on account of race, color, religion, sex, national origin, or source of income; and
 - ii. Assure that, within a reasonable period of time prior to displacement, comparable decent, safe and sanitary replacement dwellings will be available to all displaced families and individuals and that the range of choices available to such persons will not vary on account of race, color, religion, sex, national origin, or source of income; and
 - iii. Inform affected persons of their rights under the policies and procedures set forth under the regulations in Part 24, including their rights under Title VI of the Civil Rights Act of 1964 and Title VIII of the Civil Rights Act of 1968, as amended.
 - iv. Comply with Executive Order 12830, Governmental Actions and Interference with Constitutionally Protected Property Rights, and
 - e. It will implement and follow a "Residential Anti-Displacement and Relocation Assistance Plan," in accordance with Section 104(d) of the Housing and Community Development Act of 1974, as amended and 24 CFR Section 570.496 a(b).
 - f. It will comply with applicable Section 104(d) of the Housing and Community Development Act in providing relocation payments and relocation assistance.
13. PRIVATE GAIN - It will establish safeguards to prohibit employees from using positions for a purpose that is or gives the appearance of being motivated by a desire for private gain for themselves or others, particularly those with whom they have family, business, or other ties.
14. It will comply with the provisions of the Hatch Act which limits the political activity of employees.

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15. It will administer and enforce the provisions of the Davis-Bacon Act as amended and the Contract Work Hours and Safety Standards Act as set forth in the manual, *Community Improvement Grant Management Manual*.
16. It will give the Virginia Department of Housing and Community Development and the Comptroller General through any authorized representatives access to and the right to examine all records, books, papers, or documents related to the grant.
17. It will ensure that facilities under its ownership, lease or supervision which shall be utilized in the accomplishment of the PROJECT are not listed on the Environmental Protection Agency's (EPA) list of Violating Facilities and that it will notify the Virginia Department of Housing and Community Development of the receipt of any communication from the Director of the EPA Office of Federal Activities indicating consideration for listing by the EPA.
18. It will comply with the flood insurance purchase requirements of Section 102 (a) of the Flood Disaster Protection Act of 1973, Pub. L. 93-234, 87 Stat. 975, approved December 31, 1973. Section 103 (a) required, on and after March 2, 1974, the purchase of flood insurance in communities where such insurance is available as a condition for the receipt of any Federal financial assistance for construction or acquisition purposes for use in any area, that has been identified by the Director of the Federal Emergency Management Agency as an area of having special flood hazards. The phrase "Federal financial assistance" includes any form of loan, grant, guaranty, insurance payment, rebate, subsidy, disaster assistance loan or grant, or any other form of direct or indirect Federal assistance.
19. It will, in connection with its performance of environmental assessments under the National Environmental Policy Act of 1969, comply with Section 106 of the National Historic Preservation Act of 1966 (16 U.S.C. 470), Executive Order 11593, and the Preservation of Archeological and Historical Data Act of 1966 (16 U.S.C. 469a-1, et. seq.) by:
 - a. Consulting with the State Historic Preservation Officer to identify properties listed in or eligible for inclusion in the National Register of Historic Places that are subject to adverse effects (see 36 CFR Part 800.8) by the proposed ACTIVITY; and
 - b. Complying with all requirements established by HUD and the Virginia Department of Housing and Community Development to avoid or mitigate adverse effects upon such properties.
20. It will implement all required actions to ensure compliance pursuant to 24 CFR Part 8, Nondiscrimination Based on Handicap in Federally Assisted Programs and Activities.

Jonathan D. Sweet, County Administrator
Grayson County, Virginia

Date

IN RE: BOUNDARY LINE ADJUSTMENT (TAX MAP NO. 73-A-2-1-C) – AUTHORIZE DEED

Jonathan D. Sweet explained the lot line adjustment, deed recording and signing by the Chair and/or the County Administrator (listed below). Glenn E. Rosenbaum made the motion to approve; duly seconded by Kenneth R. Belton. Motion carried 5-0.

Tax Map No. 73-A-2-1-C (Portion)

Exempt from recordation tax pursuant to Virginia Code §§ 58.1-811(A)(3) and C(4) and exempt from the technology trust fund fee pursuant to Virginia Code §17.1-279(E).

DEED OF BOUNDARY LINE ADJUSTMENT

THIS DEED OF BOUNDARY LINE ADJUSTMENT, is made and entered into this ___ day of March, 2015, by and between GRAYSON NATIONAL BANK, (the "Grantor") and the COUNTY OF GRAYSON, VIRGINIA a political subdivision of the Commonwealth of Virginia (the "Grantee").

WITNESSETH:

WHEREAS, Grantor is the owner of a tract of land designated as County Tax Map Reference Number 73A2-1-C, lying and being in the Town of Independence, Grayson County, Virginia; and,

WHEREAS, Grantee is the owner of an adjoining tract of land designated as County Tax Map Reference Number 73A2-1-D, lying and being situate in the Town of Independence, Grayson County, Virginia; and,

WHEREAS, the parties have agreed to adjust the boundary between their property as shown on that certain plat (the "Plat") prepared by D.B. Dudley, Dudley and Associates, dated March 11, 2015 and titled, "Lot Line Revision for: Grayson County Board of Supervisors and Grayson National Bank" a copy of which is attached hereto as Exhibit A, and recorded herewith.

{Y0398213.1 004851-068849 }

Prepared by:
Sands Anderson PC
P.O. Box 2009
Christiansburg, VA 24068-2009
540-260-9011 (telephone)
540-260-0022 (facsimile)

The existence of title insurance is not known to the preparer of this instrument.

NOW, THEREFORE, for and in consideration of the foregoing, and the sum of Ten Dollars (\$10.00) cash in hand paid and other good and valuable consideration, the receipt of which is hereby acknowledged by the Grantor, the Grantor does hereby grant, bargain, sell and convey unto the Grantee with General Warranty and English Covenants of Title, in fee simple, the following described real property (the "Property"):

All of that certain parcel, situate in the Town of Independence, Grayson County, Virginia, containing 0.012 acres, more or less, as depicted the Plat attached hereto and recorded herewith, and being a portion of that certain parcel of real property conveyed to Grantor by that certain deed from Grayson H. Collins and Lorene Collins, husband and wife, dated December 20, 1999 and recorded in the Clerk's Office of the Grayson County Circuit Court in Deed Book 352, Page 389.

This conveyance is made subject to all easements, covenants, restrictions, agreements and conditions of record and legally applicable to the Property herein conveyed.

The line between the Grantee's existing parcel and the parcel hereby acquired is hereby vacated, and the boundary line between Grantor's property and Grantee's property is adjusted, all as set forth on the Plat.

This conveyance was duly authorized by Grantor, and J. Allan Funk, the President and Chief Executive Officer of Grantor was authorized to execute this conveyance on behalf thereof.

Acceptance of the foregoing conveyance was approved by the Board of Supervisors of the County of Grayson, Virginia, on the ____ day of _____, 2015, and David Sexton, the Chairman of the Board of Supervisors for Grayson County was authorized to accept this conveyance on behalf thereof.

THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK

WITNESS the following signatures and seals.

GRAYSON NATIONAL BANK

By:  (SEAL)
(Printed) J. A. Funk
(Title) President + C.E.O.

COMMONWEALTH OF VIRGINIA, at large,
CITY/COUNTY OF Grayson, to-wit;

The foregoing instrument was acknowledged before me this 26th day of March, 2015, by J.A. Funk, on behalf of Grayson National Bank.

Given under my hand this 26th day of March, 2015.
My commission expires: 12/31/15

Jynda C. Osborne
Notary Public #140273



(SEAL)

ACCEPTED:

THE COUNTY OF GRAYSON VIRGINIA

By: _____ (SEAL)
(Printed) _____
(Title) _____

COMMONWEALTH OF VIRGINIA, at large,
CITY/COUNTY OF _____, to-wit;

The foregoing instrument was acknowledged before me this ___ day of _____, 2015, by _____, on behalf of Grayson County, Virginia.

Given under my hand this ___ day of _____, 2015.
My commission expires: ___/___/___

Notary Public

(SEAL)

APPROVED, as to form:

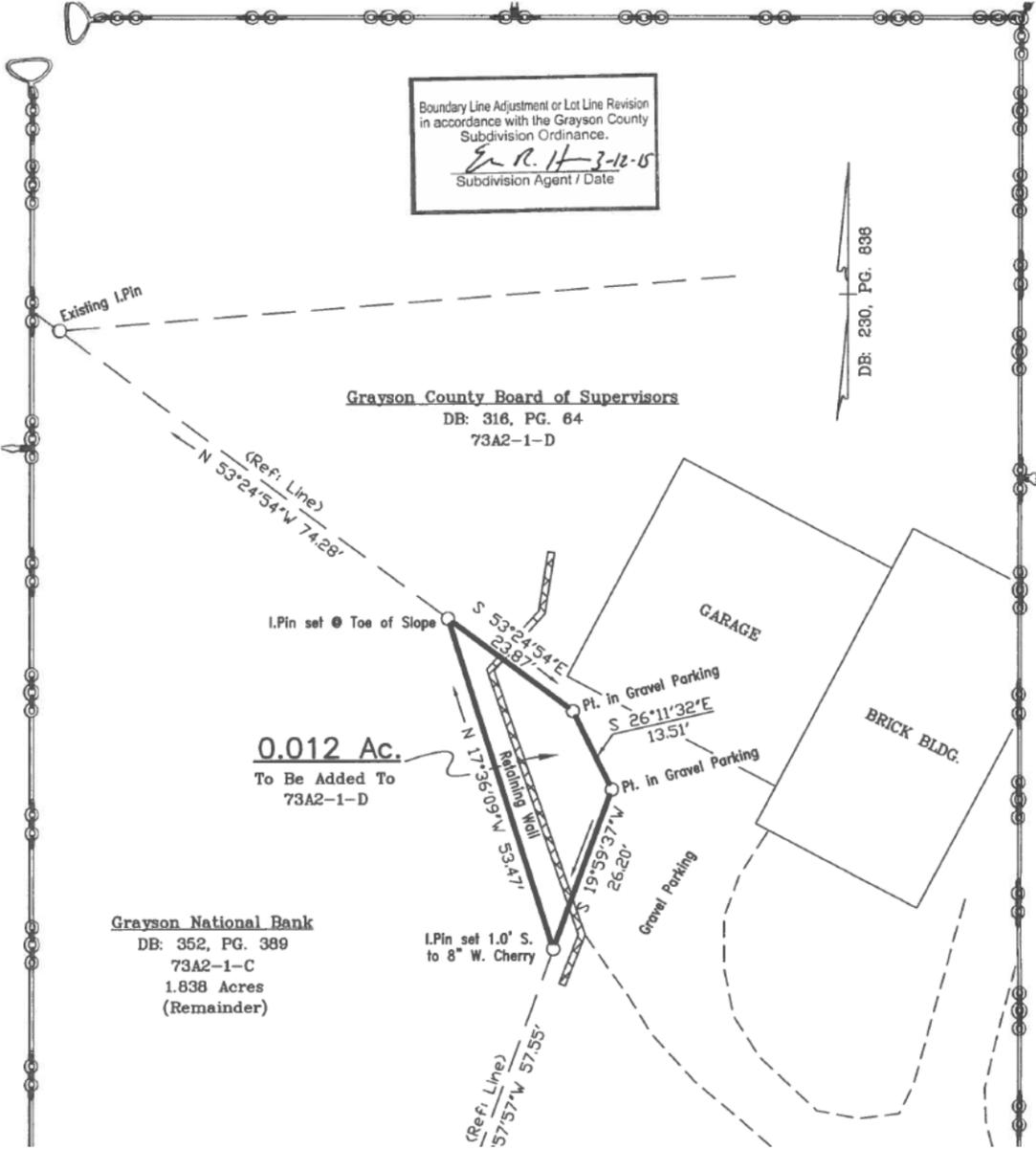
[Signature]
James E. Cornwell, Esq.
County Attorney for the County of Grayson, Virginia

Grantee's Address:
PO Box 217
Grayson County Courthouse
Independence, Virginia 24348

Boundary Line Adjustment or Lot Line Revision
 in accordance with the Grayson County
 Subdivision Ordinance.
E. R. H. 3-12-05
 Subdivision Agent / Date

DB: 230, PG. 838

Grayson County Board of Supervisors
 DB: 318, PG. 64
 73A2-1-D



Grayson National Bank
 DB: 352, PG. 389
 73A2-1-C
 1.838 Acres
 (Remainder)



Grayson County Board of Supervisors
DB: 316, PG. 64
73A2-1-D

**LOT LINE REVISION
FOR:
Grayson County
Board of Supervisors
AND
Grayson National Bank**

TOWN OF INDEPENDENCE
GRAYSON COUNTY, VIRGINIA
SCALE: 1"=20' DATE: 03/11/2015

TITLE REFERENCE: D.B. 352, PAGE 389 (Portion)
TAX PARCEL: 73A2-1-C (Portion)

DWG: WHMund21R.DWG
No. 7547A

NOTES:

1. This plot is the result of a current field survey.
2. This plot was prepared without the benefit of a current title report and may not necessarily show all encumbrances thereon.
3. Features such as springs, streams, buildings, roads, etc... unless otherwise dimensioned are approximate locations.

D.B. DUDLEY & ASSOCIATES, Licensed Land Surveyors, 207 Davis Street, Independence, VA. 24348 (276)773-3381

3903

Document Prepared By: JOHN W. PARSONS, Attorney at Law, P O Box 530, Independence, VA 24348

THIS DEED, Made this 20th day of December, 1999, between GRAYSON H. COLLINS and LORENE COLLINS, his wife, Grantors, and THE GRAYSON NATIONAL BANK, Grantee.

- W I T N E S S E T H -

That in consideration of the sum of Ten Dollars (\$10.00), and other valuable considerations, cash in hand paid, the receipt of which is hereby acknowledged, the said Grantors do grant unto the said Grantee, in fee simple, with General Warranty and English Covenants of Title, all of a certain tract or parcel of land, lying and being in the Elk Creek Magisterial District of Grayson County, Virginia, in the Town of Independence, and further described as follows:

BEGINNING at a point in the north line of U.S. Highway 21, and a corner to the Mundy land; thence, with the north line of said U.S. Highway 21, N. 51° 52' 48" W. 259.55 feet to an iron stake; thence, N. 17° 41' 05" E. 41.18 feet to an iron stake; thence, N. 27° 32' 04" E. 66.01 feet to an iron stake; thence, N. 13° 27' 45" E. 15.31 feet to an iron stake; thence, N. 10° 41' 39" W. 59.15 feet to an iron stake; N. 25° 45' 07" E. 32.84 feet to an iron stake; N. 59° 14' 01" W. 52.80 feet to an iron stake in the former Moore line; thence, with same, N. 52° 16' 22" E. 192.84 feet to a 36" poplar; corner to the land of Grayson County, thence, S. 43° 16' 22" W. 126.66 feet to an iron stake; thence, S. 50° 33' 24" E. 92.79 feet to a fence post; thence, S. 49° 53' 14" E. 267.86 feet to an iron stake, S. 22° 52' 22" E. 13.51 feet to an iron stake; thence, S. 23° 17' 30" W. 83.75 feet to an iron stake; thence, S. 51° 07' 00" W. 147.32 feet to the BEGINNING, containing 1.85 Acres as shown by plat of survey by David B. Scott dated May 15, 1972, and being the same land conveyed to Grantors by deed dated May 17, 1972, from Estelle P. Bourne, et al., which is recorded in the Office of the Clerk of the Circuit Court of Grayson County, in Deed Book 150, Page 677.

A TRUE COPY, TESTE
SUSAN M. HERRINGTON, CLERK
Circuit Court of Grayson County, VA
By: Sharon A. Hale D.C.

BOOK 352 PAGE 389

Reference is here made to said deed and plat for a further description of the land hereby conveyed and for chain of title.

WITNESS the following signatures and seals:

Grayson H. Collins (SEAL)
Grayson H. Collins

Lorene Collins (SEAL)
Lorene Collins

STATE OF VIRGINIA,
COUNTY OF GRAYSON, to-wit,

The foregoing instrument was acknowledged before me this 30th day of
December, 1999, by Grayson H. Collins and Lorene Collins, his wife.

(NOTARY SEAL)

Jane E. Reynolds
Notary Public

My commission expires May 31, 2003.

VERIFIED
DELIVERED
DEC 21 1999
GNB

INSTRUMENT #9903902
RECORDED IN THE CLERK'S OFFICE OF
GRAYSON ON
DECEMBER 21, 1999 AT 10:58AM
\$55.00 GRANTOR TAX WAS PAID AS
REQUIRED BY SEC 58.1-802 OF THE VA. CODE
STATE: \$27.50 LOCAL: \$27.50
-2- CHARLES T. STURGILL, CLERK
BY Susan O. Derrington (DC)

BOOK 352 PAGE 390

IN RE: AUTHORIZE PUBLIC HEARING – WATER RATE ADJUSTMENT (CITY OF GALAX)

Jonathan D. Sweet explained the water rate adjustment (listed below). Kenneth R. Belton made the motion to schedule a public hearing; duly seconded by Brenda R. Sutherland. Motion carried 5-0.

Galax and Grayson Water Service Rate Evaluation

March 30, 2015

Introduction

The following information has been prepared to provide background material on the City of Galax and Grayson water service "Contract for Sale of Water" (Contract) and the necessary revision to allow for a water service volume allocation increase to serve the proposed expansion of the Oldtown Water System along Nuckolls Curve Road.

Contract Negotiations

The City and Grayson County administration agreed that conditions of the Contract required water and sewer revenues and expenses to be separated. Additionally, the Contract requires the exclusion of capital improvement project expenses that are not part of the City water system jointly used by Grayson County.

The Utility Fund water/sewer revenues and expenses have always been combined in the City's accounting system. Therefore, a significant investment in time and effort was required to separate water/sewer operation and maintenance expenses. The results of this work are shown in the attached FY2014 Utility Fund Water and Sewer Breakdown Table. The Table shows total water revenues of \$1,229,822 and total water operating expenses of \$1,326,264 providing a FY14 net operating loss of \$96,442 for the water utility system. The calculation of dividing operating expenses by total gallons sold yields a water system operational expense rate of \$4.91 per thousand gallons. In accordance with the water service Contract, this calculation takes into consideration only the capital improvement project expenses associated with joint use facilities for the City and Grayson County.

The current City water and sewer rate schedule was established in July 2010. The rates were increased at that time to cover an anticipated revenue shortfall that was based on the engineering firm Utility Fund spreadsheet calculation model. The July 2010 water rates are based on a water consumption tier schedule of \$28 for the first 6000-gallons and proceeding from \$3.50 per thousand gallons to a maximum of \$3.00 per thousand gallons for consumption above 600,000 gallons in a water billing cycle. The Grayson County water systems are presently served by three water meters with records showing an average annual water consumption of 27.5-million gallons for the period from 2011 through 2014. The current effective water service rate for Grayson County during this period is \$3.13 per thousand gallons.

The proposed water service rate increase of \$1.78 per thousand gallons is due to several elements within the current water/sewer rate spreadsheet calculation model, the City Water Rate Tier Schedule and the City Finance Department accounting records. The water rate increase is due to the following factors:

1. Water Rate Tier Schedule

The Tier Water Rate Schedule was established to assist large water consumers located within the City limits that also support the City's General Fund through business, property and equipment taxes. The water/sewer utility revenues and expenses were contained in the City's General Fund until a separate Utility Fund was established in 2007. General Fund revenues continue to cover Water and Sewer Utility Fund revenue shortfalls.

Page 1 of 2

2. Water Rate Spreadsheet Calculation Model

The water rate spreadsheet calculation model developed in 2007 was only recently discovered to be over estimating the annual water consumption used for water rate calculation. The over estimation of the anticipated water consumption was due to the combined accounting records for water and sewer revenues. The spreadsheet calculation model provided an over estimate of annual water consumption by approximately 50-million gallons per year. The over estimation of water sales resulted in an annual shortfall of approximately \$150,000 per year.

3. Declining Water Sales

City of Galax water sales have been declining since 2005 due to the closing of several industrial manufacturing facilities and reduced water consumption by the remaining industries. Water consumption records for FY2014 show a reduction of 5% or 13.6 million gallons from FY2009.

4. Water and Sewer Account Separation

The City's detailed analysis of Finance Department account records to separate water and sewer expenses has resulted in a better understanding of the actual costs to produce drinking water and provide for treatment of wastewater. Operating expenses per unit of drinking water produced have increased since the current 2010 water rate was established.

5. Water Rate Calculation Methods

The American Water Works Association (AWWA) has provided water system standards and guidance documents for water utilities since 1881. The AWWA provides several methods for determining water rates in an equitable manner for both existing and new public water system consumers. While Grayson County has been a customer of the City for more than twenty years, the fact remains that the City public water system was complete and essentially paid for by City citizens and businesses prior to the connections with Grayson County. The AWWA guidance provides that a flat water rate based on the cost to produce the public drinking water is an equitable method to establish water rates for consumers receiving service after the initial infrastructure investment has been made.

Summary

The City is pleased to provide public drinking water and recognizes the mutual benefits of sharing its water utility system with Grayson County. The City fully understands the significance of the proposed rate increase on the Citizens of Grayson County. Subsequently, the preparation of this information is provided to explain why the water rate is necessary so that both the City and County understand the challenges of successfully operating a water utility system.

The proposed water rate is considered to be an equitable rate for every one receiving the benefits of the quality public drinking water produced by the Galax Water Treatment Plant. The proposed rate increase will help to ensure that the City can comply with VDH-ODW Regulations necessary to protect the health and welfare of the consumers. Also, the proposed rate increase is needed to cover the full cost of producing and distributing drinking water and does not include profit or costs associated with capital improvement projects that are not part of Grayson County's joint use of the City water system.

Galax Utility Fund Water and Sewer Breakdown

Utility Fund Operating Revenues	FY2014 Financial Audit	FY2014 Revenue Statement	Audit and R&E Statement Difference	FY2014 Water R&E Accounts	FY2014 Sewer R&E Accounts	Water and Sewer Total
Water Revs	\$ 1,207,585	\$ 1,206,784	\$ 801	\$ 1,206,784	\$ -	\$ 1,206,784
Sewer Revs	\$ 1,231,536	\$ 1,240,296	\$ (8,760)	\$ -	\$ 1,240,296	\$ 1,240,296
Tap Fees	\$ 7,000	\$ 7,000	\$ -	\$ 5,000	\$ 2,000	\$ 7,000
Penalties & Interest	\$ 15,585	\$ 15,585	\$ -	\$ 7,834	\$ 7,751	\$ 15,585
Other Revenue	\$ 65,665	\$ 57,766	\$ 7,899	\$ 10,204	\$ 47,562	\$ 57,766
Total Operating Revs	\$ 2,527,371	\$ 2,527,431	\$ (60)	\$ 1,229,822	\$ 1,297,609	\$ 2,527,431

Utility Fund Operating Expenses	FY2014 Financial Audit	FY2014 Expenditure Statement	Audit and R&E Difference	FY2014 Water R&E Accounts	FY2014 Sewer R&E Accounts	Water and Sewer Total
Personnel	\$ 1,418,086	\$ 1,418,087	\$ (1)	\$ 781,206	\$ 636,881	\$ 1,418,087
Utilities & Tele	\$ 314,647	\$ 323,132	\$ (8,485)	\$ 126,887	\$ 196,245	\$ 323,132
Materials & Supplies	\$ 261,534	\$ 261,291	\$ 243	\$ 125,574	\$ 135,717	\$ 261,291
Repairs & Maint	\$ 201,663	\$ 190,964	\$ 10,699	\$ 125,474	\$ 65,490	\$ 190,964
Contract Services	\$ 43,015	\$ 45,471	\$ (2,456)	\$ 13,343	\$ 32,128	\$ 45,471
Depreciation	\$ 697,902	\$ 697,902	\$ -	\$ 153,780	\$ 522,790	\$ 676,570
Total Operating Exp	\$ 2,936,847	\$ 2,936,847	\$ -	\$ 1,326,264	\$ 1,589,251	\$ 2,915,515

P & L Subtotal	\$ (409,476)	\$ (409,416)	\$ (60)	\$ (96,442)	\$ (291,642)	\$ (388,084)
Non-Oper Rev & Exp	\$ (12,826)	\$ (12,826)	\$ -	\$ -	\$ (12,826)	\$ (400,910)
P & L Final Position	\$ (422,302)	\$ (422,242)	\$ (60)	\$ (96,442)	\$ (304,468)	\$ (400,910)

Finance Dept Water Meter Sales (Kgal) = 270,305

Finance Dept Sewer Meter Sales (Kgal) = 286,692

Water Utility Cost per Kgal = \$ 4.91

Sewer Utility Cost per Kgal = \$ 5.54

FY2014 actual depreciation expense total for water was \$175,112. The water depreciation expense shown in the Table as \$153,780 includes a deduction of \$21,332 for projects (10 out of 28 total water projects) that are not associated with providing service to Grayson County.

IN RE: GRAYSON COUNTY PUBLIC SERVICE AUTHORITY – PURSUE INCORPORATION

Jonathan D. Sweet explained the idea and showed documentation (listed below). Glenn E. Rosenbaum made the motion to move forward with a public hearing on this matter; duly seconded by Kenneth R. Belton. Motion carried 5-0.

ARTICLES OF INCORPORATION GRAYSON COUNTY PUBLIC SERVICE AUTHORITY

In compliance with the Virginia Water and Waste Authorities Act (Chapter 51, Title 15.2 of the Code of Virginia, 1950, as amended) (the “Act”), and pursuant to an Ordinance duly adopted by the Board of Supervisors of Grayson County, Virginia creating the Authority, as defined by the Act, which Authority shall be a public body, politic and corporate, Grayson County, Virginia (the “County”), a political subdivision of the Commonwealth of Virginia, does hereby certify:

(1) That the Authority is formed under the Virginia Water and Waste Authorities Act. The name of the Authority shall be the “Grayson County Public Service Authority” (the “Authority”) and the address of its principal office shall be the Office of the County Administrator, Grayson County Courthouse, 129 Davis Street, Independence, VA 24348, which is located in Grayson County, Virginia. The registered agent for the Authority shall be James E. Cornwell, Jr., a member of the Virginia State Bar, whose office address is 150 Peppers Ferry Road NE, Christiansburg, Virginia 24073-6548 which is located in the Town of Christiansburg, Montgomery County, Virginia.

(2) The name of the incorporating political subdivision is the County of Grayson, Virginia, a political subdivision of the Commonwealth of Virginia.

(3) The Authority shall be operated by a Board of Directors (the "Board") consisting of five (5) members appointed by the Board of Supervisors of Grayson County, Virginia. All members of the Board appointed shall qualify and serve pursuant to the Act. The terms of office of the initial members named herein shall begin on the date that the certificate of incorporation of the Authority is issued by the State Corporation Commission of the Commonwealth of Virginia. The name and addresses of the first members of the Board are, respectively, as follows, each of whom shall continue in office for the term expiring on the date set opposite his name or thereafter until his successor shall be duly appointed and qualify:

Name	Address	Expiration of Term of Office
David M. Sexton	356 Winding Creek Lane Fries, VA 24330	December 31, 2015
Brenda R. Sutherland	166 Caty Sage Road Elk Creek, VA 24326	December 31, 2017
Glen E. Rosenbaum	7070 Blue Spring Road Troutdale, VA 24378	December 31, 2017
John K. Brewer	1990 Bainbridge Road Fries, VA 24330	December 31, 2015
Kenneth R. Belton	402 Old Baywood Rd. Galax, VA 24333	December 31, 2015

The successor of each member shall be appointed by the governing body of the County for a term of four (4) years or thereafter until his/her successor shall be duly appointed and qualify, except that any person appointed to fill a vacancy shall serve only for the unexpired term. Any member of the Board shall be eligible for reappointment. Members of the Board of Supervisors of Grayson County, Virginia may be appointed to the Board of the Authority and if

so appointed the term of such member shall end when such member's term of office on the Board of Supervisors ends, provided that no single term of office on the Board of the Authority shall exceed four years.

4) The purposes for which the Authority is created is the acquisition, construction, improvement, operation and maintenance of water systems, sewer systems, sewage disposal systems for the collection and treatment of sewage, stormwater control systems, and garbage and refuse collection and disposal systems, or any combination or parts hereof, within or without or partly within or without the County of Grayson, Virginia as such boundary either now exists or may be later reduced, extended or expanded, and for the purpose of exercising all powers conferred by the Virginia Water and Waste Authorities Act in relation to the foregoing.

5) No other authority has been created under the provisions of said Act serving the whole or any part of the same area.

6) No preliminary plan or certifications having been submitted by engineers for the County, pursuant to Section 15.2-5103 of the Code of Virginia, the governing body of Grayson County has determined that it is not at this time practicable to set forth preliminary estimates of capital costs, proposals for any specific projects to be undertaken by the Authority or the initial rates for the services of the such projects.

These Articles of Incorporation have been approved by the Board of Supervisors of Grayson County, Virginia, having duly advertised and conducted a public hearing pursuant to the applicable provisions of the Act.

IN WITNESS WHEREOF, these Article of Incorporation of the Grayson County Public Service Authority have been executed by the Chairman of the Board of Supervisors of Grayson County, Virginia, having been duly authorized pursuant to the Ordinance of the Grayson County Board of Supervisors creating the Authority.

GRAYSON COUNTY, VIRGINIA

By: _____
Chairman,
Board of Supervisors

**ORDINANCE OF THE COUNTY OF GRAYSON
VIRGINIA CREATING THE
GRAYSON COUNTY PUBLIC SERVICE AUTHORITY**

WHEREAS, the Board of Supervisors of Grayson County, Virginia (the "Board") determined to consider the creation of a public service authority pursuant to the provisions of Chapter 51, Virginia Water and Waste Authorities Act of Title 15.2 of the Code of Virginia, 1950, as amended; and,

WHEREAS, the Board conducted a public hearing, duly advertised in compliance with law, to receive public comment on the creation of such public service authority; and,

WHEREAS, upon conduct of such public hearing and receipt of comment from the public at such hearing the Board determined to create a public service authority pursuant to the provisions of Chapter 51, Virginia Water and Waste Authorities Act of Title 15.2 of the Code of Virginia, 1950, as amended;

NOW THEREFORE, BE IT ORDAINED that there is hereby created a public service authority to be named the "Grayson County Public Service Authority" pursuant to the provisions of Chapter 51, Virginia Water and Waste Authorities Act of Title 15.2 of the Code of Virginia, 1950, as amended; as a public body politic and corporate and a political subdivision of the Commonwealth of Virginia to have and exercise all powers and authority provided by law.

As required by Section 15.2-5103 of the Code of Virginia, 1950, as amended, the Articles of Incorporation of the Authority shall be as herein provided:

**ARTICLES OF INCORPORATION
GRAYSON COUNTY PUBLIC SERVICE AUTHORITY**

In compliance with the Virginia Water and Waste Authorities Act (Chapter 51, Title 15.2 of the Code of Virginia, 1950, as amended) (the "Act"), and pursuant to an Ordinance duly adopted by the Board of Supervisors of Grayson County, Virginia creating the Authority, as defined by the Act, which Authority shall be a public body, politic and corporate, Grayson County, Virginia (the "County"), a political subdivision of the Commonwealth of Virginia, does hereby certify:

(1) That the Authority is formed under the Virginia Water and Waste Authorities Act. The name of the Authority shall be the "Grayson County Public Service Authority" (the "Authority") and the address of its principal office shall be the Office of the County Administrator, Grayson County Courthouse, 129 Davis Street, Independence, VA 24348, which

is located in Grayson County, Virginia. The registered agent for the Authority shall be James E. Cornwell, Jr., a member of the Virginia State Bar, whose office address is 150 Peppers Ferry Road NE, Christiansburg, Virginia 24073-6548 which is located in the Town of Christiansburg, Montgomery County, Virginia.

(2) The name of the incorporating political subdivision is the County of Grayson, Virginia, a political subdivision of the Commonwealth of Virginia.

(3) The Authority shall be operated by a Board of Directors (the "Board") consisting of five (5) members appointed by the Board of Supervisors of Grayson County, Virginia. All members of the Board appointed shall qualify and serve pursuant to the Act. The terms of office of the initial members named herein shall begin on the date that the certificate of incorporation of the Authority is issued by the State Corporation Commission of the Commonwealth of Virginia. The name and addresses of the first members of the Board are, respectively, as follows, each of whom shall continue in office for the term expiring on the date set opposite his name or thereafter until his successor shall be duly appointed and qualify:

<u>Name</u>	<u>Address</u>	<u>Expiration of Term of Office</u>
David M. Sexton	356 Winding Creek Lane Fries, VA 24330	December 31, 2015
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Kenneth R. Belton	402 Old Baywood Road Galax, VA 24333	December 31, 2015

The successor of each member shall be appointed by the governing body of the County for a term of four (4) years or thereafter until his/her successor shall be duly appointed and qualify, except that any person appointed to fill a vacancy shall serve only for the unexpired term. Any member of the Board shall be eligible for reappointment. Members of the Board of

Supervisors of Grayson County, Virginia may be appointed to the Board of the Authority and if so appointed the term of such member shall end when such member's term of office on the Board of Supervisors ends, provided that no single term of office on the Board of the Authority shall exceed four years.

4) The purposes for which the Authority is created is the acquisition, construction, improvement, operation and maintenance of water systems, sewer systems, sewage disposal systems for the collection and treatment of sewage, stormwater control systems, and garbage and refuse collection and disposal systems, or any combination or parts thereof, within or without or partly within or without the County of Grayson, Virginia as such boundary either now exists or may be later reduced, extended or expanded, and for the purpose of exercising all powers conferred by the Virginia Water and Waste Authorities Act in relation to the foregoing.

5) No other authority has been created under the provisions of said Act serving the whole or any part of the same area.

6) No preliminary plan or certifications having been submitted by engineers for the County, pursuant to Section 15.2-5103 of the Code of Virginia, the governing body of Grayson County has determined that it is not at this time practicable to set forth preliminary estimates of capital costs, proposals for any specific projects to be undertaken by the Authority or the initial rates for the services of the such projects.

These Articles of Incorporation have been approved by the Board of Supervisors of Grayson County, Virginia, having duly advertised and conducted a public hearing pursuant to the applicable provisions of the Act.

IN WITNESS WHEREOF, these Articles of Incorporation of the Grayson County Public Service Authority have been executed by the Chairman of the Board of Supervisors of Grayson County, Virginia, having been duly authorized pursuant to the Ordinance of the Grayson County Board of Supervisors creating the Authority.

The Chairman of the Board of Supervisors of the County is hereby authorized to execute such necessary documents and to do all things necessary and appropriate as may be required to

form such Authority, and the officers and agents of the County are authorized to take the necessary action to obtain a charter and to have said Authority established as evidenced by a certificate of incorporation issued by the State Corporation Commission in accordance with law.

This Ordinance shall be effective immediately upon adoption.

GRAYSON COUNTY, VIRGINIA

By: _____

Chairman,
Board of Supervisors

IN RE: RECESS MEETING

David M. Sexton recessed the meeting for the ribbon cutting for the courthouse elevator and a quick picture by the media.

IN RE: RECONVENE MEETING

David M. Sexton reconvened the meeting. Jonathan D. Sweet noted that the elevator was approved for use just this week.

IN RE: COUNTY ADMINISTRATOR'S REPORT

Glenn E. Rosenbaum engaged Jonathan D. Sweet in a conversation regarding proposed trail closures.

IN RE: DEPARTMENT HEAD REPORTS

As presented.

IN RE: REGISTERED SPEAKERS AND PUBLIC COMMENT

Tracy Anderson spoke regarding the school budget/system
Elizabeth Thomas spoke regarding the Forestry Service Plan to close some trails.
Alan Lee also spoke regarding the Forestry Service Plan to close some trails.
James Hayes spoke regarding giving the Mt. Rogers School to the Mt. Rogers Fire Dept.
Denise McMillian spoke regarding the school budget/system.

IN RE: BOARD OF SUPERVISORS' TIME

Brenda R. Sutherland introduced Mr. Tom Eggers who is the new Librarian Director here in Independence.

Glenn E. Rosenbaum commented on behalf of keeping the trails open and made a motion for the County Administrator to work with the coalition and work up a resolution to keep the trails open; duly seconded by Kenneth R. Belton. Motion carried 5-0.

IN RE: CLOSED SESSION

Glenn E. Rosenbaum made the motion to go into closed session pursuant to Section 2.2-3711A(1) of the Code of Virginia to discuss personnel matters and pursuant to Section 2.2-3711(A)(7) of the Code of Virginia to discuss other legal matter(s); duly seconded by Brenda R. Sutherland. Motion carried 5-0.

Brenda R. Sutherland made the motion to come out of closed session; duly seconded by Glenn E. Rosenbaum. Motion carried 5-0.

Whereas, the Grayson County Board of Supervisors has convened a closed session on this 9th, day of April, 2015, pursuant to an affirmative recorded vote and in accordance with provision of the Virginia Freedom of Information Act; and

Whereas, Section §2.2-3711 of the Code of Virginia requires a certification by this Board of Supervisors that such closed session was conducted in conformity with Virginia law;

Now, Therefore Be It Resolved that the 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 session 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 Board of Supervisors with recorded confirmation from members as follows: David M. Sexton – I so certify; Glen E. Rosenbaum – I so certify; Kenneth R. Belton – I so certify; Brenda Sutherland – I so certify; John K. Brewer – I so certify.

IN RE: ADJOURN

John K. Brewer made the motion to continue to April 15th, 2015 at 6:30 p.m.; duly seconded by Kenneth R. Belton. Motion carried 5-0.