

May 8, 2015
12:10 PM

Grayson County
Check Register By Check Date

Page No: 1

Range of Checking Accts: 100GENERAL to Last Range of Check Dates: 04/10/15 to 05/14/15
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					
29246	04/20/15	TWINC015 TWIN CO HUMANE SOCIETY, INC	180.00		45
29247	05/01/15	ANTH0010 Anthem Blue Cross/Blue Shield	1,910.20		46
29248	05/01/15	GRAY0035 Grayson Co Emergency Ser Assoc	39,768.00		46
29249	05/01/15	SLAUG005 SLAUGHTER, BALLARD R.	170.00		46
29414	05/08/15	SLAUG005 SLAUGHTER, BALLARD R.	275.00		50
29250	05/14/15	ADAMS005 Adams Building Supply	0.00	05/14/15 VOID	0
29251	05/14/15	ADAMS005 Adams Building Supply	1,150.33		47
29252	05/14/15	ANDER005 Anderson & Associates, Inc	750.00		47
29253	05/14/15	ANTH0010 Anthem Blue Cross/Blue Shield	1,910.20		47
29254	05/14/15	APLUS005 A Plus Fire & Safety	551.62		47
29255	05/14/15	APPAL005 Appalachian Power	0.00	05/14/15 VOID	0
29256	05/14/15	APPAL005 Appalachian Power	10,046.61		47
29257	05/14/15	ARCET005 Arcet Equipment Company	193.55		47
29258	05/14/15	BBTIR005 B & B Tire Service, Inc	1,980.00		47
29259	05/14/15	BKTUN005 Bkt Uniforms	188.95		47
29260	05/14/15	BLUE0010 Blue Ridge Energies, Llc	1,166.58		47
29261	05/14/15	BREN0010 Brenda Sutherland	51.23		47
29262	05/14/15	BROWN005 Brown Exterminating Co	150.00		47
29263	05/14/15	BUSIN005 Business Information Systems	102.50		47
29264	05/14/15	CARDI005 Cardinal Realty Virginia Llc	176.76		47
29265	05/14/15	CARQ0010 Carquest Auto Parts	66.92		47
29266	05/14/15	CARQU005 Carquest Of Alleghany	0.00	05/14/15 VOID	0
29267	05/14/15	CARQU005 Carquest Of Alleghany	2,280.03		47
29268	05/14/15	CARR0010 Carroll County Tourism	2,157.00		47
29269	05/14/15	CARR0020 Carroll-Grayson-Galax Solid Wa	33,991.50		47
29270	05/14/15	CARTE005 Carter Machinery Co., Inc.	440.18		47
29271	05/14/15	CAVAL005 Cavalier Equipment Corp	46,418.35		47
29272	05/14/15	CENT0010 Century Link	665.11		47
29273	05/14/15	CENT0015 Century Link	30.46		47
29274	05/14/15	CENTU005 Century Link	1,589.83		47
29275	05/14/15	CINTA005 Cintas Corp, #532	0.00	05/14/15 VOID	0
29276	05/14/15	CINTA005 Cintas Corp, #532	2,031.86		47
29277	05/14/15	CITY0010 City Of Galax	10,616.04		47
29278	05/14/15	COMCA005 Comcast Corporation	175.05		47
29279	05/14/15	COMP0015 Computer Project Of Illinois,	173.40		47
29280	05/14/15	COXS005 Cox Snax Sales, Llc	117.00		47
29281	05/14/15	DLPTW005 Dlp Twin Co Reg Hospital, Llc	140.00		47
29282	05/14/15	DODSO005 Dodson Pest Control	35.00		47
29283	05/14/15	ERCON005 E&R Construction, Inc.	1,250.00		47
29284	05/14/15	FASTE005 Fastenal Co.	62.76		47
29285	05/14/15	FLEET005 Fleetpride	5,224.66		47
29286	05/14/15	FLORE005 Flores & Associates, Llc	1,336.93		47
29287	05/14/15	FOODC005 Food City, Store #866	216.82		47
29288	05/14/15	GALA0010 Galax Gazette	521.48		47
29289	05/14/15	GALA0025 Galax Grayson Ems	2,720.88		47
29290	05/14/15	GALLS005 Galls, Llc	107.95		47
29291	05/14/15	GAZET005 Gazette Press, Inc	37.50		47
29292	05/14/15	GCHSA005 Gchs Athletic Dept	155.00		47
29293	05/14/15	GINGE005 Ginger Halsey	120.00		47
29294	05/14/15	GRAIN005 Grainger	125.72		47
29295	05/14/15	GRAY0040 Grayson Co Health Dept	44,138.02		47
29296	05/14/15	GRAY0045 Grayson Co Recreation Park	554.00		47
29297	05/14/15	GRAY0055 Grayson Co School Board	665.74		47

29298	05/14/15	GRAY0060	Grayson Co Sheriff's Office	257.67		47
29299	05/14/15	GRAY0070	Grayson Florist & Gifts	5.00		47
29300	05/14/15	GRAY0110	Grayson Express	20.15		47
29301	05/14/15	HENS0005	Hensdell's Crane Service	332.00		47
29302	05/14/15	HIGH0005	High Country Springs, LLC	66.00		47
29303	05/14/15	HILLS0005	Hill Studio Pc	5,655.21		47
29304	05/14/15	HILLS0005	Hill Studio Pc	1,219.58		47
29305	05/14/15	HOMES0005	Homestead Materials Handling	202.61		47
29306	05/14/15	INDE0015	Independence Tire Co	3,431.72		47
29307	05/14/15	INDE0020	Independence Vol Fire Dept	200.00		47
29308	05/14/15	INDE0025	Independence Vol Rescue Squad	500.00		47
29309	05/14/15	IROLER00	RICKEY IROLER	500.00		47
29310	05/14/15	IWORQ005	Iworq Systems	400.00		47
29311	05/14/15	JONAD020	Jonathon M. Venzie	120.00		47
29312	05/14/15	KELLY010	Kelly Haga	356.14		47
29313	05/14/15	KEY00010	JEFF KEY	520.00		47
29314	05/14/15	KWIKK005	Kwik Kafe Co, Inc.	68.44		47
29315	05/14/15	LEONA005	Leonard's Copy Systems, Inc	180.00		47
29316	05/14/15	LINEB005	Lineberry's Garage & Wrecker	8,587.49		47
29317	05/14/15	LINGO005	Lingo Networks	168.18		47
29318	05/14/15	LOWES005	Lowe's Home Centers	144.64		47
29319	05/14/15	LOWES005	Lowe's Home Centers	339.30		47
29320	05/14/15	MAINS005	Main Street Tire & Collision,	1,126.26		47
29321	05/14/15	MANSF005	Mansfield Oil Company	21,408.35		47
29322	05/14/15	MATTH005	Matthew Bender & Co, Inc	91.08		47
29323	05/14/15	MERRI005	Merritt Supply, Inc	9.21		47
29324	05/14/15	MIRAC005	Miracle Recreation Equipment	554.00		47
29325	05/14/15	MITCH005	Mitch Smith	40.24		47
29326	05/14/15	MOBIL005	MOBILE COMMUNICATION INC	177.60		47
29327	05/14/15	MODE0010	Modern Impressions	230.00		47
29328	05/14/15	MTROG005	Mt Rogers Community Service Bd	12,750.00		47
29329	05/14/15	NATIO020	National Pools Of Roanoke, Inc	630.50		47
29330	05/14/15	NEWRO010	New River Soil & Water Conserv	3,000.00		47
29331	05/14/15	NEWRO030	New River Valley Reg Jail	96,331.95		47
29332	05/14/15	NWCDI005	Nwcd, Inc	1,145.56		47
29333	05/14/15	PAPER005	Paper Clip	0.00	05/14/15 VOID	0
29334	05/14/15	PAPER005	Paper Clip	0.00	05/14/15 VOID	0
29335	05/14/15	PAPER005	Paper Clip	0.00	05/14/15 VOID	0
29336	05/14/15	PAPER005	Paper Clip	3,654.65		47
29337	05/14/15	PART0010	HEIL ENVIRONMENTAL	138.74		47
29338	05/14/15	PEACE005	Peace Of Mind Counseling	600.00		47
29339	05/14/15	PIED0010	Piedmont Truck Center, Inc	16,581.78		47
29340	05/14/15	PIEDM005	Piedmont Peterbilt, Llc	23.53		47
29341	05/14/15	PITNE005	Pitney Bowes	196.00		47
29342	05/14/15	PROF0010	Professional Networks, Inc	101.00		47
29343	05/14/15	QUAL0015	Quality Auto Parts	0.00	05/14/15 VOID	0
29344	05/14/15	QUAL0015	Quality Auto Parts	505.34		47
29345	05/14/15	RICH0010	Richard Vaughan	43.70		47
29346	05/14/15	RIDAB005	Rid-A-Bug Exterminating Co	55.00		47
29347	05/14/15	RIXEY005	Rixey's Market	0.00	05/14/15 VOID	0
29348	05/14/15	RIXEY005	Rixey's Market	1,194.65		47
29349	05/14/15	ROTE0005	Rotenizer Drapery & Carpet	2,254.85		47
29350	05/14/15	SAFLA005	SaFlab	111.00		47
29351	05/14/15	SANDS005	Sands Anderson Pc	13,813.23		47
29352	05/14/15	SARAH005	SARAH C OSBORNE	512.88		47
29353	05/14/15	SENSU005	Sensus Usa	358.03		47
29354	05/14/15	SNAP0005	Snap-On - Matthew Turman	176.39		47
29355	05/14/15	SOSME005	Sosmetal Products Inc	577.42		47
29356	05/14/15	SOUT0015	Southeast Energy, Inc	783.40		47
29357	05/14/15	SOUT0030	Southern States	129.99		47
29358	05/14/15	SPORT005	BSN SPORTS	1,891.20		47
29359	05/14/15	SPRIN005	Spring Valley Graphics	418.50		47
29360	05/14/15	SRCAP005	SE Rural Comm Assist Project	819.50		47

29361	05/14/15	STATE005	State Electric Supply Co	2,274.09		47
29362	05/14/15	SUNT0010	Suntrust Bank	0.00	05/14/15 VOID	0
29363	05/14/15	SUNT0010	Suntrust Bank	0.00	05/14/15 VOID	0
29364	05/14/15	SUNT0010	Suntrust Bank	8,756.15		47
29365	05/14/15	SURRY005	Surry Chemicals, Inc	481.25		47
29366	05/14/15	SUSA0020	Susan Hodges	41.07		47
29367	05/14/15	THECI005	The Cima Companies Inc	507.50		47
29368	05/14/15	THEDE005	The Declaration	307.36		47
29369	05/14/15	TOMHA005	Tom Hagis	80.79		47
29370	05/14/15	TOWN0010	Town Of Independence	385,749.82		47
29371	05/14/15	TOWN0020	Town Of Troutdale - Water	340.00		47
29372	05/14/15	TREAS005	Treasurer Of Va - Dept Gen Ser	607.00		47
29373	05/14/15	TWIN0015	Twin County E-911 Reg. Comm.	45,781.44		47
29374	05/14/15	TWINC005	Twin Co Airport Commission	2,760.76		47
29375	05/14/15	TWINC010	TWIN CO FAMILY CARE CENTERS	125.00		47
29376	05/14/15	TWOWA005	Two Way Radio, Inc.	314.10		47
29377	05/14/15	USCEL005	Us Cellular	719.06		47
29378	05/14/15	VAASS005	Va Assoc Of Assessing Officers	30.00		47
29379	05/14/15	VACA	Virginia Association Of Common	1,050.00		47
29380	05/14/15	VADE0030	Va Dept Of Ag & Consumer Serv	215.84		47
29381	05/14/15	VAEMP005	Va Employment Commission	102.93		47
29382	05/14/15	VAINF005	Va Information Tech Assoc	87.22		47
29383	05/14/15	VC CONCR	virginia-carolina concrete	316.80		47
29384	05/14/15	VERIZ005	verizon wireless	320.08		47
29385	05/14/15	VIRG0035	Virginia Tech - Bursar's Offic	14,114.62		47
29386	05/14/15	VMLVA005	vml/vaco Aep Steering Comm	739.00		47
29387	05/14/15	WELDB005	weld Built Fabrication, Inc	122.28		47
29388	05/14/15	WILLI005	William Joe Cox	160.00		47
29389	05/14/15	WORKF005	WORKFORCE UNLIMITED, LLC	848.84		47
29390	05/14/15	XEROX005	Xerox Corporation	833.52		47
29391	05/14/15	APPAL005	Appalachian Power	150.00		48
29392	05/14/15	BANK0005	Bank Of Marion - Visa	1,326.74		48
29393	05/14/15	BRIST005	Bristol Office Supply, Inc	62.59		48
29394	05/14/15	CENTU005	Century Link	51.95		48
29395	05/14/15	CHAR0010	Charles Brown	20.00		48
29396	05/14/15	COMM0015	Commission On Vasap	1,364.15		48
29397	05/14/15	GARYU005	Gary Umberger	46.20		48
29398	05/14/15	GRAY0025	Grayson Co Day Report Center	150.00		48
29399	05/14/15	GRAY0105	Grayson Co Treasurer'S Office	582.22		48
29400	05/14/15	HIGH0010	Highlands Community Servces B	780.00		48
29401	05/14/15	JERRY005	Jerry'S Office Supply	70.00		48
29402	05/14/15	JLREE005	J.L. Reedy	188.65		48
29403	05/14/15	MARIA005	Marian Combs	49.28		48
29404	05/14/15	OFFIC005	Office Depot	139.95		48
29405	05/14/15	RALPH005	Ralph Price	1,800.00		48
29406	05/14/15	TOWN0015	Town Of Marion	50.04		48
29407	05/14/15	WYTH0010	wytheville Community College	50.00		48
29408	05/14/15	WYTH0015	wytheville Office Supply	192.98		48
29409	05/14/15	BLUER010	BLUE RIDGE MASS APPRAISAL CO	34,682.85		49
29410	05/14/15	CARRO005	Carroll County	25.00		49
29411	05/14/15	DEPT0005	Dept Of Criminal Justice Serv	504.00		49
29412	05/14/15	FLORE005	Flores & Associates, Llc	51.07		49
29413	05/14/15	SUNT0010	Suntrust Bank	352.54		49

Checking Account Totals	Paid	Void	Amount Paid	Amount Void
Checks:	158	11	935,073.11	0.00
Direct Deposit:	0	0	0.00	0.00
Total:	158	11	935,073.11	0.00

Report Totals	Paid	Void	Amount Paid	Amount Void
Checks:	158	11	935,073.11	0.00
Direct Deposit:	0	0	0.00	0.00
Total:	158	11	935,073.11	0.00

Grayson County Board of Supervisors
Regular Meeting
May 15, 2015

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

IN RE: CONSENT AGENDA

Brenda R. Sutherland asked to amend the agenda by removing the VRS Resolution and approve consent agenda. John K. Brewer made the motion to approve; duly seconded by Glen E. Rosenbaum.

IN RE: REPORTS, PRESENTATIONS OR REQUESTS

Jolena Young, Director, Twin Co Regional 911 Center addressed the Board and thanked them for their support. Ms. Young gave a brief update on the progress they have made in the last year:

Systems:

- Call Processing Equipment-refreshed via VITA Grant Spring 2013
- 911 Map (CAD) Equipment-refreshed via VITA Grant Fall 2014
- Radio Console-replacement in progress via VITA 1-time payment
- Logger/Recorder-awarded grant to refresh for FY2016
- Computer Aided Dispatch-awarded grant for FY2016; contingent
- NG Call Processing Equipment-applying for grant FY2017 or 18

Mapping:

- \$20,000 VITA Grant to validate map & implement ongoing validation
- \$339,470 VITA Grant to implement a regional map-participants include Twin, Bland, Floyd, Giles, Patrick, Pulaski, & Wythe

Emergency Medical Dispatch:

- Awarded grant in CY2014
- Protocol purchased from Association of Public Safety Communication Officials (APCO); meets national standards for EMD
- 1 Communication Officer/EMD Instructor Certified
- 12 Twin County Com Officers Certified; 4 CCSO in final stage
- Software is installed; intermittent issues with interface back to CAD
- Currently utilizing combination of cards/software
- QA/QC processes in place

George Wright, President, Grayson County Farm Bureau, spoke against elk season being closed in Grayson County and how it is a detriment to agriculture and safety reason. Mr. Wright asked the Board of Supervisors to present a resolution before May 22nd, 2015 against this hunting ban. The Board of Supervisors will put this item on the May 20th, 2015 budget work session agenda.

IN RE: OLD BUSINESS

None

IN RE: NEW BUSINESS

Board appointment(s)

Economic Development Authority (EDA)

- Greg Webb, term expires August 8, 2015
- Richard Patton, term expires August 8, 2015

Wytheville Community College (WCC)

- Mr. Charles Sturgill's term expires June 30th, 2015; since Mr. Sturgill has served two (2) consecutive terms, a new appointment will have to be made. John K. Brewer nominated Charlie Smith; duly seconded by Kenneth R. Belton. Motion carried 4-0.

9th District Development Financing, Inc.

- Elaine Holeton, term expires June 30, 2015

IN RE: PROCLAMATION – HONORING ROOFTOP OF VIRGINIA CAP, INC. – 50 YEARS

Jonathan D. Sweet presented the proclamation listed below. Kenneth R. Belton made the motion to accept; duly seconded by John K. Brewer. Motion carried 4-0.

**PROCLAMATION
HONORING ROOFTOP OF VIRGINIA CAP, INC.
ON THE OCCASION OF ITS 50TH ANNIVERSARY**

WHEREAS, Rooftop of Virginia CAP, Inc., a private, nonprofit corporation is commended for 50 years of innovative and compassionate service to the citizens

and communities in Carroll, Grayson, and City of Galax, Virginia; and

WHEREAS, on August 20, 1964, President Lyndon B. Johnson signed the Economic Opportunity Act into Federal law, establishing community action agencies as the catalysts for community-based efforts to alleviate poverty throughout the nation; and

WHEREAS, Rooftop of Virginia CAP, Inc. was incorporated by Roy C. Quesinberry, James Beck, Josephine Hedrick, Dyer Smythers, Samuel E. Terry, W. C. Dolinger, B. J. Friend, Sidney Harvey, Mrs. Charles Huffman, W. G. Andrews, R. C. Bowie, Claire Goldstein, and R. S. Hager on May 14, 1965; and

WHEREAS, over the last 50 years Rooftop of Virginia CAP, Inc. has provided services to underserved communities throughout the Twin County/City area, including Head Start, Early Head Start, Section 8, Weatherization, Offender Services, Emergency Services, Indoor Plumbing and Rehabilitation Services, Volunteer Income Tax Assistance, Craft Development, Financial Literacy, Literacy Education, and other programs; and

WHEREAS, Rooftop of Virginia CAP, Inc. embraces the Promise of Community Action which states: *“Community Action changes people’s lives, embodies the spirit of hope, improves communities, and makes America a better place to live. We care about the entire community, and we are dedicated to helping people help themselves and each other”*; and

WHEREAS, Rooftop of Virginia CAP, Inc.’s mission is to educate and encourage individuals and families by providing resources and opportunities in a supportive environment with the ultimate goal of empowering them to be self-sufficient.

NOW, THEREFORE, BE IT PROCLAIMED, that the Grayson County Board of Supervisors hereby commends Rooftop of Virginia CAP, Inc. on the historic occasion of its 50th anniversary; and

BE IT FURTHER PROCLAIMED, that a copy of this Proclamation is prepared for presentation to David V. Hutchins, Chairperson of Rooftop of Virginia CAP, Inc., as an expression of the Board’s recognition and admiration of this organization’s tireless work on behalf of the citizens and communities in the Commonwealth of Virginia.

IN RE: RESOLUTION – USDA RURAL DEVELOPMENT – FINANCIAL ASSISTANCE

Jonathan D. Sweet presented the resolution (listed below along with the documents); \$50,000 grant for sheriff vehicles. John K. Brewer made the motion to approve; duly seconded by Kenneth R. Belton. Roll call vote as follows: John K. Brewer – Aye; Glen E. Rosenbaum – Aye; Kenneth R. Belton – Aye; Brenda R. Sutherland – Aye. Motion carried 4-0.

**RESOLUTION
OF THE BOARD OF SUPERVISORS
OF THE COUNTY OF GRAYSON, VIRGINIA**

The Governing Body of GRAYSON COUNTY consisting of 4 members, in a duly called meeting held on the 14th day of May, 2015, at which a quorum was present, RESOLVED as follows:

NOW, THEREFORE, BE IT RESOLVED, that in order to facilitate obtaining financial assistance from the United States of America, acting by and through the Rural Housing Service, an agency of the United States Department of Agricultural, (the Government) in the development of POLICE VEHICLES to serve the community, the Governing Body does hereby adopt and abide by the covenants contained in the agreements, documents, and forms required by the Government to be executed.

BE IT FURTHER RESOLVED that Jonathan D. Sweet of GRAYSON COUNTY be authorized to execute on behalf of GRAYSON COUNTY the above-referenced agreements and to execute such other documents including, but not limited to, debt instruments and security instruments as may be required in obtaining the said financial assistance.

This Resolution, along with a copy of the above-referenced documents, is hereby entered into the permanent minutes of the meetings of this Governing Body.

March 11, 2015

Mr. Jonathan Sweet, County Administrator
Grayson County
P. O. Box 217
Independence, VA 24348

Dear Mr. Sweet:

This letter, with Attachments 1 and 2, establishes conditions which must be understood and agreed to by you before further consideration may be given

to your application for financial assistance from Rural Development for purchase of police vehicles and equipment. Any changes in project cost, source of funds, scope of services, or any other significant changes in the project or applicant must be reported to and approved by Rural Development by written amendment to this letter. Any changes not approved by Rural Development shall be cause for discontinuing processing of the application.

This letter is not to be considered as grant approval or as a representation as to the availability of funds. The docket may be completed on the basis of a Rural Development grant not to exceed \$50,000, and other funding in the amount of \$17,000, for a total project cost of \$67,000. The other funding is planned in the form of owner contribution.

All regulations, forms, and bulletins outlined in this letter can be obtained from our web site at <http://www.rurdev.usda.gov/regs/> (click on "Instructions" or "Forms," as appropriate, in the upper left-hand corner). From this web site, you must review RD Instruction 1942-A, Sections 1942.17, 1942.18, and 1942.19 and RD Instruction 3570-B. You must also review RD Instruction 1942-C and RD Instruction 1940-Q and all exhibits. If you do not have internet access, we will provide the appropriate documents. Any regulation, form, or bulletin identified in this letter as a Virginia form will be provided to you at the appropriate time.

Attached are the following:

Attachment No. 1 - Project Planning Factors
Attachment No. 2 - Form RD 1942-46, Letter of Intent to Meet Conditions

The conditions referred to in the first paragraph of this letter are as follows:

1. Organizational Documents - We have reviewed the documents creating your County and have found them acceptable.
2. Audit Requirements - Audited financial statements shall be submitted on an annual basis in accordance with the Government Auditing Standards (GAAS), General Accepted Accounting Principles (GAAP), and the Generally Accepted Government Auditing Standards (GAGAS) issued by the

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Comptroller General of the United States, 1994 revision, and any subsequent revisions.

Audits performed in accordance with OMB Circular A-133, "Audits of States, Local Governments, and Non-profit Organizations," are based upon the amount of Federal financial assistance expended during a borrower's fiscal year from a Federal source. **Recipients expending Federal financial assistance over \$750,000 are required to have an OMB Circular A-133 audit. Recipients expending less than \$750,000 in Federal financial assistance are required to submit financial statements, either GAAS, GAGAS, or management reports, based upon loan balances and prevailing Federal regulations.**

Also, RD Instruction 1942-A outlines the requirements for management reports which must be submitted to Rural Development.

3. Insurance and Bonding Requirements - Prior to closing, you must acquire the following insurance and bond coverage:

a. Liability and Property Damage Insurance – The project will be reviewed for liability and property damage needs, and amounts will be established accordingly. The amount of coverage will be determined by the Borrower in conjunction with a representative of Rural Development.

b. Workers' Compensation - In accordance with appropriate State Laws.

(Multiple Advances)

c. Position Fidelity Bond Coverage - You must provide evidence of adequate fidelity bond coverage for all persons who have access to funds by closing. Coverage may be provided either for all individual positions or persons, or through "blanket" coverage providing protection for all appropriate employees and/or officials. Form RD 440-24, Position Fidelity Schedule Bond, may be used for this purpose. We encourage you to have your attorney and/or insurance provider review proposed types and amounts of coverage, including any deductible provisions.

d. National Flood Insurance - In addition to meeting the requirements for the type of assistance requested, the following requirements must be met for financial assistance for acquisition in designated special flood or mudslide prone areas:

1. If flood insurance is available, you must purchase a flood insurance policy at the time of closing.

2. Applicants whose buildings, machinery, or equipment are to be located in an area which has been notified as having special flood or mudslide prone areas will not receive financial assistance where flood insurance is not available.

e. Real Property Insurance - You must obtain real property insurance (fire and extended coverage) on all above ground structures to include machinery and equipment housed therein, in an amount equal to the insurable value thereof.

4. Procurement - You may proceed to acquire the proposed vehicles/equipment by competitive negotiation. You must develop a Request for Proposal (RFP) and specifications. Rural Development must review and give prior approval to the specifications and RFP before soliciting for offers.

Following the receipt of offers, Rural Development must be provided with the following:

- a. Summary of all offers
- b. Copy of the successful offer
- c. Narrative summary of all negotiations
- d. Copy of notice to all unsuccessful offerors
- e. Copy of resolution of tentative award

5. Code of conduct - Owners shall adopt and maintain a written code or standards of conduct which shall govern the performance of their officers, employees, or agents engaged in the award and administration of contracts supported by Rural Development funds. No employee, officer, or agent of the owner shall participate in the selection, award, or administration of a contract supported by Rural Development funds if a conflict of interest, real or apparent, would be involved.
6. Other Funds - Prior to advertisement or soliciting for bids, you must provide evidence showing the availability of the other funds.
7. Disbursement of Rural Development Grant Funds – Rural Development grant funds will be advanced as they are needed in the amount necessary to cover Rural Development's proportionate share of obligations due and payable by Grayson County. Interest earned on grant funds in excess of \$100 per year will be submitted to Rural Development at least quarterly as required in 7 CFR 3016.
8. Community Facilities Grant (CFG) - You will be required to execute Form RD 3570-3, Agreement for Administrative Requirements for Community Facility Grants, at the time of grant closing.

CFG assistance is subject to the interest of the United States Government in the market value of the property attributable to the Federal participation in this project provided by 7 CFR, parts 3015, 2016, or 3019 et seq as subsequently modified.

CFG assistance is subject to the provisions of Title VI of the Civil Rights Act of 1964 and Section 504 of the Rehabilitation Act of 1973 and the regulations issued thereto. This covenant is in effect for as long as the property continues to be used for the same or similar purpose for which the financial assistance was extended or for as long as the grantee owns it, whichever is longer.

9. Agency Forms - You will be required to execute certain Agency forms in order to obtain financial assistance from Rural Development. By Resolution, these forms must be adopted and properly executed, and minutes showing the adoption must be provided.
10. ***System for Award Management (SAM) – As the recipient, you must maintain the currency of your information in SAM.gov until (a) you submit the final financial report required under this award and (b) all funds under this award have been disbursed or cancelled, whichever is later. This requires***

that you review and update your information at least annually after the initial registration and more frequently if required by changes in your information or another award term. Recipients can register online at www.sam.gov

Under Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), no handicapped individual in the United States shall, solely by reason of their handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving financial assistance from Rural Development.

As a recipient of Federal financial assistance, you must be in compliance, and continue to comply, with Title VI of the Civil Rights Act of 1964 and the Rural Development regulations promulgated by this Act. Your signature on Form RD 400-4, Assurance Agreement, is your commitment to comply with these Federal laws and regulations, as well as your agreement to maintain records and data to verify your compliance. The

data you must provide depends on the type of project financed with Rural Development funds, and guidance will be provided to you by Rural Development. Your compliance is monitored through compliance reviews conducted by Agency personnel. The first compliance review will be conducted prior to, or concurrent with, closing, with subsequent compliance reviews if/when needed.

If all parties agree the bids received are acceptable and it is determined that adequate funds are available to cover the total costs and that all the administrative conditions of grant approval have been satisfied, closing instructions will be issued. The closing instructions, a copy of which will be forwarded to you, will set forth any further requirements that must be met before the grant can be closed. **GRANT CLOSING WILL NOT BE SCHEDULED UNTIL CLOSING INSTRUCTIONS ARE RECEIVED FROM RURAL DEVELOPMENT.** When all parties agree that the closing requirements can be met, a mutually acceptable date for the closing will be scheduled.

The Debt Collection Improvement Act (DCIA) of 1996 requires that all Federal payments be made by Electronic Funds Transfer/Automated Clearing House (EFT/ACH). Borrowers receiving payments by EFT will have funds directly deposited to a specified account at a financial institution with funds being available to the recipient on the date of payment. The borrower should complete Form SF-3881, Electronic Funds Transfer Payment Enrollment Form, for each account where funds will be electronically received. The completed form(s) must be received by Rural Development at least thirty (30) days prior to the first advance of funds.

As a recipient of federal financial assistance, you must comply with all applicable federal, state, and local statutes, ordinances, regulations, and codes. The major portion of existing Rural Development rules and regulations which must be met are included in RD Instruction 1942-A and 1942-C and RD Instruction 3570-B. No modifications or waiver of any portion of these regulations is authorized. Such regulations shall govern regardless of any misinterpretation, omission, misunderstanding, or statements made by any Rural Development employee. The most critical requirements of the instructions have been highlighted or clarified in this letter.

The applicant contribution shall be considered as first funds expended. After providing for all authorized cost, any remaining Rural Development funds will be refunded to Rural Development.

We believe the information herein clearly sets forth the action which must be taken; however, if you have any questions, please do not hesitate to contact my office.

Please complete and return the attached Form RD 1942-46, Letter of Intent to Meet Conditions, if you desire further consideration be given your application.

If the conditions set forth in this letter are not met within 6 months from the date hereof, Rural Development reserves the right to discontinue processing of the application.

Sincerely yours,

JANICE STROUD-BICKES
Community Programs Director
USDA, Rural Development

cc: Deputy Administrator, Community Programs, Washington, D.C.
State Director, Rural Development, Richmond, VA
Accountant

PROJECT PLANNING FACTORS

The following estimates are to be used as a basis for project planning and must not be changed without prior approval of Rural Development:

PROJECT COSTS

Vehicles/Equipment **\$67,000**

TOTAL **\$67,000**

FUNDING

Rural Development Grant **\$50,000**
Owner Contribution **17,000**

TOTAL **\$67,000**

OPERATING BUDGET - TYPICAL YEAR

INCOME

Operating Income **\$17,269,152**

TOTAL INCOME **\$17,269,152** **\$17,269,152**

EXPENSES

Operating Expenses **\$17,269,152**

TOTAL EXPENSES **\$17,269,152** **17,269,152**
BALANCE **\$ -0-**

IN RE: GRAYSON COUNTY BOARD OF SUPERVISORS FY16 BUDGET
AUTHORIZE PUBLIC HEARING

Kenneth R. Belton made the motion to approve a public hearing for the FY16 Budget at the next Board of Supervisors meeting on June 11, 2015; duly seconded by Glen E. Rosenbaum. Motion carried 4-0.

IN RE: COUNTY ADMINISTRATOR'S REPORT

General Operations:

- The Comprehensive Plan review lead by the Community Planning and Development Department and County Administration is scheduled to be completed by the Planning Commission on May 19th at a regular meeting of the Commission and is intended to be presented to the Board of Supervisors and the general public on June the 11th during the next meeting of the BOS
- The Grayson County FY-16 Budget process is well under way progressing nicely (thank the BOS for that). We have another budget work session scheduled for next Wed., May 20th.

Facilities:

- 4 of 5 slated windows were installed after the elevator project was completed in the courthouse in four separate departments on the second and third floors.

Programs:

- Coyote Bounty Top Coyote Hunter Contest will end at noon Tomorrow on May 15th. We will be announcing the winner of the contest publicly at our next regularly scheduled BOS meeting on June the 11th and will present the trophy and prize money at that time.
*This Fiscal year, (July 1) 248 bounties - Remaining: \$2,080 (\$1,480 after encumbrances)
- Our Grayson County Recreation Department has an astonishing 14 baseball and softball teams registered this year, one of our largest groups in recent history. (Added some additional age groups)
- Fitness classes (that have been averaging 15 participants each night) will continue till the end of the month and the pool will open on May 23rd and 24th (Memorial Day Weekend) and then will open permantely for the season on May 30th

Economic and Community Development:

- Conducted in concert with our engineering firm (Anderson and Associates) a Pre-bid meeting with potential contractor for the Nuckolls Curve Water Extension project on May 6th and will conduct an official bid-opening on the 26th of May to review and select a

contractor. We will be hosting a final community meeting on the 27th for the residents of Nuckolls Curve Rd. at the Mathews' State Forestry Building.

Oak Hall/Robert-Shaw Facility Renovation Project is moving nicely and we are approximately 70 -75 days out from completion.

Staff Operations:

- County Administration worked with Duke Lifepoint, the Virginia Dept. of Health and other partners to develop and host our first ever Grayson County employee health fair that was held on April 16th. (Blood screens, checks, exams and educational information...)
- On May 9th Leesa Gayheart received her degree and graduated Cum Lada in general studies and she has announced that she will be continuing her educational pursuit to obtain her B.S. in management and leadership in the Fall at Bluefield College
- Deborah Jean Kennedy, Director of Parks & Recreation received her ServSafe Certification and will utilize that certification in our concessions and food service at our parks, pool and other public facilities
- We will participating in a Pet Sheltering Exercise with the Virginia Department of Emergency Management on Saturday, May 30th, from 7:30 to 1:00 at the Galax City Public Works Building
- I (Jonathan D. Sweet) have accepted an invitation to speak at the VEDA Summer conference on June 2nd on the power of partnership. The best practices on regional collaboration; how regional and super-regional marketing efforts are working in the Commonwealth.

Public Announcements:

- Grayson County's 2nd Government Blood Drive will be held in the lower parking lot on June the 5th, from 10:00 a.m. - 3:00 p.m.
- VDACS has scheduled aerial treatment of gypsy mouth to suppress and eradicate isolated populations of gypsy mouth in certain portions of western Grayson County. To review these locations, you can visit County Administration.
- Governor McAuliffe has declared in Commonwealth this week May 12th-16th as Virginia Police Week and tomorrow May 15th as Peace Officer Memorial Day throughout the state and encourage our citizens to join the Board of Supervisors in thanking our police officers, in honoring those peace officers who have fallen in the line of duty, and to recognize the sacrifices made by those officers and their families of those who protect and serve our community.

IN RE: DEPARTMENT HEAD REPORTS

As presented.

IN RE: REGISTERED SPEAKERS AND PUBLIC COMMENT

- Michelle Pridgen spoke thanking the Board of Supervisors for the Tourism Class, Marketing 103 Social Media, that was held at Cross Roads.
- Tracy Anderson spoke expressing the need for the Building Trades at Grayson County High School.

IN RE: BOARD OF SUPERVISORS' TIME

Kenneth R. Belton thanked Brenda R. Sutherland, Larry Bolt and Leesa Gayheart for the Fishing Olympics event that was held on Saturday.

IN RE: PUBLIC HEARING

- PUBLIC HEARING TO RECEIVE PUBLIC COMMENT PURSUANT TO SECTION 15.2-5104 OF THE CODE OF VIRGINIA TO CONSIDER THE **ADOPTION OF AN ORDINANCE CREATING A PUBLIC SERVICE AUTHORITY** PURSUANT TO THE PROVISION OF THE VIRGINIA WATER AND WASTE AUTHORITIES ACT, CHAPTER 51 OF TITLE 15.2 OF THE CODE OF VIRGINIA AS AMENDED.

Jonathan D. Sweet explained the need for having a PSA (Public Service Authority) to better utilize grants, service offered, and the possibility of more services with the Board of Supervisors member serving also as PSA members which would become effective July 1, 2015. Glen E. Rosenbaum made the motion to open the public hearing; duly seconded by Kenneth R. Belton. Motion carried 4-0. Since there were not any speakers signed up, Glen E. Rosenbaum made the motion to close the public hearing; duly seconded by Kenneth R. Belton. Motion carried 4-0. John K. Brewer made the motion to adopt the Ordinance (listed below); 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. Motion carried 4-0.

**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

**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 the 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 provision 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 Rd 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) member 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 Ln Fries VA 24330	December 31, 2015

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Glenn E. Rosenbaum	7070 Blue Spring Rd Troutdale VA 24378	December 31, 2017
John K. Brewer	1990 Bainbridge Rd 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 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 thing necessary and appropriate as may be required to form such Authority, and the officers and agens 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 July 1, 2015.

IN RE: PUBLIC HEARING

- PUBLIC HEARING TO RECEIVE PUBLIC COMMENT REGARDING A PROPOSED INCREASE TO WATER RATES BASED ON AN AGREEMENT WITH THE CITY OF GALAX DATED JUNE 10TH, 2010 FOR THE PURCHASE OF WATER SPECIFICALLY FOR THE FAIRVIEW AND OLDTOWN WATER SYSTEMS.

Mitch Smith discussed the water rate adjustments (information listed below) that will go into effect July 1, 2015. Glen E. Rosenbaum made the motion to open the public hearing; duly seconded by Kenneth R. Belton. Motion carried 4-0. Since there were no speakers signed up to comment, Glen E. Rosenbaum made the motion to close the public hearing; duly seconded by Kenneth R. Belton. Motion carried 4-0.



Professional Design Services

May 7, 2015

Jonathan Sweet– County Administrator
County of Grayson
P.O. Box 217
Independence, Virginia 24348

Re: Grayson County Water Rate Review
JN 31661

Dear Mr. Sweet:

This letter and attachments serve as a summary of the results of an evaluation of the water rates being charged to the Oldtown and Fairview customers by the County of Grayson in an effort to balance the revenues being generated by the system with the expenses needed to operate the system. The employee owners of Anderson & Associates, Inc. are pleased to present the following information for your use.

Purpose

The purpose of this evaluation is to summarize the revenues and expenses for the water system and evaluate the rate adjustments needed to make the water system self-sufficient. Currently the County purchases water from the City of Galax and has been notified in a letter dated March 30, 2015 that the City will be increasing their rates from \$3.13 per thousand gallons to \$4.91 per thousand gallons. The system revenues are currently sufficient but need to be adjusted for this rate increase as well as the PSA budget increase.

Project Location

The evaluation accounts for both the Fairview and Oldtown water systems. The Grant water system is not affected at this time since Troutdale is the supplier for that system.

Existing Conditions

Based on the information provided to A&A by County personnel it is expected that the annual expenses will increase from \$152,007 to approximately \$220,000 for year 1 and \$245,000 for year 2 with the Galax water rate increase and the PSA budget increase. The estimated revenue for the same period is \$170,474.54 using the County's existing rate structure. This represents a shortfall of approximately 29% for year 1 and 44% for year 2.

Comparison with Regional Providers

The following information is provided in the 2013 Virginia Water and Wastewater Rate Report prepared by Draper Aden Associates, Inc. Excerpts from the report are included in Appendix A – Existing Revenue & User Profile. The report indicates that the County of Grayson monthly residential rate for 5,000 gallons of water is \$37.50 for its customers. Many state and federal grant programs require the minimum rate charged for 5,000 gallons of water to be equal to 1.5% of the median household income level. For the County of Grayson this equates to \$38.40, or 2.4% more than the current rate of \$37.50. The Carroll County Public Service Authority monthly residential rate for 5,000 gallons of water is \$43.80, or 17% higher than the County rate. The City of Galax monthly residential rate for 5,000 gallons of water is \$20.50 for in-City customers, or 83% lower than the County rate, and \$41.00 for out-of-City customers, or 9% higher than the County rate.

Attachments

The following attachments show the data that was used in the evaluation of the County's water rates:

Appendix A – Existing Revenue & User Profile

Appendix B – Proposed Revenue & User Rates YR. 1

Appendix C – Proposed Revenue & User Rates YR. 2

Rate Evaluation

County personnel provided A&A with a summary of their revenue, current rates and the total number of customers including those who used less than 2000 gallons per month. The numbers were used to calculate the approximate amount of water used, based on revenue, for the different customer profiles. The results of this evaluation are included in Appendix A - Existing Revenue & User Profile. This information was used to evaluate the rates and the revenue being generated by the County's water system in order to meet the expenses for the new PSA budget and the rate changes being implemented by Galax for the purchase of water. The Galax price increase will be implemented in two stages each adding an additional \$25,000 to the annual expenses over the next two years. The evaluations for year 1 and year 2 are included in Appendix B - Proposed Revenue & User Rates YR. 1 and Appendix C - Proposed Revenue & User Rates YR. 2. The evaluation of the existing rates indicates a shortfall of approximately 29% for year 1 and 44% for year 2.

Appendix B- shows a sample rate increase for year 1 that brings the proposed revenues up to a level that meets or exceeds the projected expenses. The proposed evaluation takes into account stage 1 of the Galax price increase and the larger PSA budget.

Appendix C- shows a sample rate increase for year 2 that brings the proposed revenues up to a level that meets or exceeds the projected expenses. The proposed evaluation takes into account stage 2 of the Galax price increase and the larger PSA budget.

Conclusions and Recommendations

The evaluation of the County of Grayson water rates indicates that a rate adjustment is needed in order to make the water system self-supported in terms of revenues versus expenses. The proposed rate adjustment included in Appendix B is used to bring the revenues up to a point that meets or exceeds the projected expenses over the next year. The proposed rate adjustment included in Appendix C brings the revenues up to a point that meets or exceeds the projected expenses for year two. In order for the water system to be self-supported rate adjustments must be implemented. In doing this the County can maintain the goal of having a self-supporting water system.

Please contact me at (540)-552-5592 if there are any questions or concerns regarding this submittal.

Sincerely,
ANDERSON & ASSOCIATES, INC


Dennis A. Amos, PE
Project Manager

APPENDIX A
Existing Revenue & User Profile

Existing Revenue & User Profile

Current Annual Revenue \$170,474.54

Current Rates			
First	2 thousand gallons	@	21.00 min.
Over	2 thousand gallons	@	5.50 per 1000

Profile	Description	Annual Usage	Revenue
A	144 customers using < 2000 gallons (Assumed usage of 1500 gallons)	2,592,000	\$36,288.00
B	215 customers using 2000 gallons	5,160,000	\$54,180.00
C	215 customers using > 2000 gallons purchased at the per thousand rate	14,546,644	\$80,006.54
	Totals	22,298,644	\$170,474.54

(Revenue calculation for water at the per thousand rate) Profile C Revenue = Annual Revenue - Profile A Revenue - Profile B Revenue

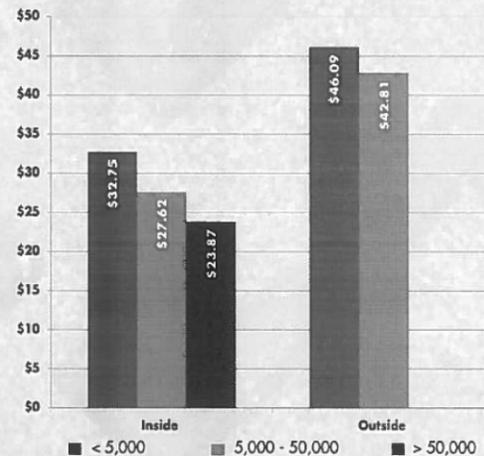
(Usage calculation for water at the per thousand rate) Profile C Usage = Profile C Revenue / \$5.50 (Rate/thousand) x 1000

Water Rates: *The tables below were compiled from all data and are not limited to the control group.*

	Replies	Avg.	Median
Residential Connections	144	10,227	2,053
Non-residential Connections	142	775	198
Monthly Residential Rate (In) per 5,000 gallons	150	\$30.98	\$29.70
Monthly Residential Rate (Out) per 5,000 gallons	65	\$45.07	\$40.03
Monthly B/C/I Rate per 1 million gallons	126	\$5,394	\$4,907

Abbreviations: B/C/I = Business/Commercial/Industrial; In = Inside Municipal Boundaries; Out = Outside Municipal Boundaries

Average Residential Rates By System Size



No utility with > 50,000 connections provided rates for customers outside of municipal boundaries.

Water Data

Key to table: "Cost" means customer pays the cost of making the connection, "Cost +" means the customer pays the cost to make the connection, plus an additional fee, "DFU" means customer is charged that fee per the number of drainage fixture units in the household, "Fixture" means customer is charged that fee per the number of fixture units in the household.

When localities indicated separate rate structures for commercial and industrial customers, commercial rates were used.

Locality	# Residential Water Units	# Non-Residential Water Units	Residential Water Rate Inside (5,000 gallons /month)	Residential Water Rate Outside (5,000 gallons /month)	Last Water Rate Change	Water Rate- Business Inside (1 million gal. /month)	Residential Connection Fee	Residential Capital Recovery Charge
Albemarle County Service Authority	25,497	3,535	\$29.46		2012	\$6,506	\$1,026	\$6,560
Alleghany County	2,636	186	\$40.00		2013	\$7,751	\$1,000	
Altavista, Town of	1,651	56	\$9.90	\$19.80	2013	\$1,940	\$350	
Amelia County Sanitary District	294	147	\$22.44		2000	\$4,176	Cost X 2	\$6,000
Amherst County	6,910	521	\$30.37		2010	\$4,293	\$1,040	\$2,260
Amherst, Town of	1,175	177	\$38.50	\$73.00	2013	\$9,167	\$500	\$1,700
Appomattox, Town of	916	201	\$27.40		2012	\$5,798	\$1,500	\$2,500
Arlington County	35,098	2,091	\$19.90		2012	\$3,980	\$3,200	\$85/DFU
Augusta County Service Authority	15,905	1,070	\$29.27		2013	\$4,559	\$1,060	\$2,645
Bath County Service Authority			\$23.40		2007	\$3,008	\$1,000	\$1,175
Bedford Regional Water Authority	11,734	1,123	\$32.30	\$58.76	2013	\$5,401	\$2,500	
Berryville, Town of	1,402	220	\$35.25		2013	\$7,050	Cost + 10%	\$5,250
Big Stone Gap, Town of	1,806	1,812	\$35.24	\$54.23	2013	\$5,448	\$20	\$100
Blacksburg, Town of	8,816	345	\$25.78	\$45.25	2013	\$4,553	\$1,722	\$600

Locality	# Residential Water Units	# Non-Residential Water Units	Residential Water Rate Inside (\$,000 gallons /month)	Residential Water Rate Outside (\$,000 gallons /month)	Last Water Rate Change	Water Rate- Business Inside (1 million gal. /month)	Residential Connection Fee	Residential Capital Recovery Charge
Bluefield, Town of	2,200	100	\$38.09	\$57.14	2012	\$5,093	\$350	
Boones Mill, Town of	247	38	\$39.00	\$54.00	2012	\$5,300	\$2,500	
Botetourt County	918	169	\$34.25		2012	\$5,092	\$1,000	\$3,000
Bridgewater, Town of	1,899	184	\$20.70	\$27.26	2013	\$3,937	\$2,500	
Bristol Virginia Utilities	6,825	1,101	\$28.98	\$43.48	2012	\$3,124	\$990	
Broadway, Town of	1,580	100	\$21.79		2013	\$4,339	\$4,000	
Buchanan County Public Service Authority	7,042	644	\$42.00		2012	\$6,532	\$775	
Buckingham County	317	95	\$33.25		2013	\$11,366	\$2,000	
Campbell County Utilities and Service Authority	9,568	527	\$39.06		2012	\$8,294	\$1,500	\$1,900
Cape Charles, Town of	1,162	88	\$42.39		2013	\$4,998	\$875	\$4,000
Carroll County Public Service Authority	3,155	228	\$43.80		2009	\$4,300	\$1,250	
Charlottesville, City of	12,745	1,533	\$33.54		2013	\$5,912	\$30	\$3,100
Chesapeake, City of			\$35.55		2013	\$6,110	\$3,679	
Chesterfield County	116,445	4,208	\$18.61		2013	\$2,130	\$1,615	\$4,795
Chincoteague, Town of	2,750	950	\$22.75		2012	\$5,165	\$4,378	
Clarke County Sanitary Authority	391	51	\$48.45		2013	\$9,690		\$13,800
Clifton Forge, Town of	1,600	200	\$26.50		2013	\$5,449	\$600	
Colonial Beach, Town of	2,556	114	\$24.10	\$36.15	2012	\$1,224	\$2,250	
Craig-New Castle Public Service Authority	441	70	\$33.75		2013	\$10,012	\$2,000	
Culpeper County	341	15	\$43.11		2011			
Culpeper, Town of	5,989	662	\$29.68		2013	\$3,577		\$6,500
Cumberland County	82	48	\$37.00		2006	\$4,017	\$3,970	
Danville, City of	15,387	2,519	\$22.34		2013	\$3,168	\$1,500	
Dinwiddie County Water Authority	3,490	178	\$21.77		2013	\$2,494		\$2,260
Dryden Water Authority	548	39	\$48.52		2013		\$450	\$100
Dublin, Town of	2,521	150	\$26.85	\$35.60	2012	\$4,276	\$615	
Eastville, Town of	185	26	\$17.50	\$22.50	2010	\$3,500	\$3,000	
Edinburg, Town of	511	49	\$34.75	\$52.21	2013		\$5,000	
Emporia, City of	5,658	875	\$42.86		2013	\$5,128	\$3,000	
Fairfax Water	310,638	8,855	\$14.52		2013	\$2,331	\$1,050	\$13,350
Fairfax, City of	10,276	1,301	\$23.21		2012	\$4,575	\$1,979	\$4,000
Farmville, Town of	3,078	638	\$23.00	\$34.50	2012	\$4,991	\$4,000	
Ferrum Water & Sewer Authority	188	29	\$32.00		2010	\$5,065	\$1,000	\$1,500
Franklin, City of	3,248	252	\$26.77	\$33.54	2008	\$2,842	\$3,500	
Frederick County Sanitation Authority	12,626	1,200	\$27.78		2012	\$3,945	\$2,250	\$6,080
Fredericksburg, City of	6,170	1,790	\$15.74		2013	\$2,381	\$7,600	\$3,000
Front Royal, Town of	6,358	974	\$25.29	\$50.58	2013	\$8,320	\$4,340	
Galax, City of	2,400	400	\$20.50	\$41.00	2010	\$3,031	\$1,000	
Gate City, Town of	1,087	152	\$44.00	\$51.00	2012	\$7,009	\$650	
Glen Lyn, Town of	106	7	\$41.96	\$52.45	2010			
Gloucester County	5,067	892	\$50.18		2013	\$10,397	\$3,500	\$500
Goochland County	998	221	\$32.50		2013	\$7,910	\$4,000	
Grayson County	400	25	\$37.50		2008		\$900	
Greensville County Water and Sewer Authority			\$26.75		2012	\$5,620		
Gretna, Town of	551		\$29.64	\$55.47	2012	\$4,209	\$300	
Halifax County Service Authority	4,000	500	\$26.50	\$30.50	2013	\$2,979		\$1,250
Hamilton, Town of	681	4	\$40.00	\$47.00	2009	\$11,483	\$3,400	\$18,100
Harrisonburg, City of	12,139	2,598	\$13.03	\$21.88	2013	\$2,191	\$2,500	\$1,400
Henry County Public Service Authority	12,474	822	\$34.70		2013	\$7,017	\$1,750	
Herndon, Town of	7,894	472	\$17.36		2009	\$2,959	\$3,120	\$4,863

Highland County	58	17	\$42.50		2006	\$7,505	\$200	
Hillsville, Town of	1,250	199	\$25.11	\$35.75	2011	\$5,180	\$690	
Ivor, Town of	216	21	\$16.00		2008		\$1,500	
James City Service Authority	19,631	918	\$14.25		2008	\$3,450	\$500/Fixture	\$1,300
Kenbridge, Town of	484	97	\$26.15	\$39.11	2011	\$5,499	\$500	
Keysville, Town of	431	97	\$30.50	\$61.00	2011	\$4,011	\$750	
King George County Service Authority	1,822	83	\$30.41		2013	\$4,716	\$1,162	\$7,500
La Crosse, Town of	383	40	\$29.72	\$51.70	2009	\$4,110	\$550	
Lawrenceville, Town of	843	151	\$20.20	\$35.35	2010	\$3,406	\$400 + Cost	
Lebanon, Town of	1,525	275	\$26.83	\$34.83	2013	\$4,880	\$150	
Leesburg, Town of	15,916	990	\$22.50	\$30.75	2013	\$4,054	\$50 + Cost	\$4,683
Lexington, City of	2,257	590	\$20.50	\$24.60	2013	\$8,906	\$1,000	
Loudoun Water	62,863	3,006	\$20.12	\$27.49	2013	\$4,935	\$6,514	
Louisa County Water Authority (Northeast Creek)	92	37	\$27.50		2012	\$5,500	\$1,000	\$3,750
Louisa County Water Authority (Zions Crossroads)	384	41	\$27.50		2012	\$5,500	\$1,000	\$3,750
Louisa, Town of			\$29.70	\$34.12	2012		\$1,640	\$5,000
Lovettsville, Town of	700	33	\$32.50	\$81.25	2013		\$1,000	\$8,100
Lynchburg, City of	22,000	2,000	\$18.76		2013	\$3,199	\$1,045	\$1,220
Martinsville, City of	6,700	500	\$25.50	\$32.68	2012	\$2,672	\$675	
Middleburg, Town of	377	111	\$77.45	\$87.93	2013		\$14,259	
Middletown, Town of	532	59	\$86.00	\$122.80	2013		\$4,500	
Mineral, Town of	255	50	\$42.50	\$48.00	2013	\$8,003	\$4,900	
Montgomery County Public Service Authority	2,675	25	\$42.95		2013	\$7,247	\$750	\$2,500
Montross, Town of	228	80	\$12.50	\$18.75	2012		\$500 + Cost	
Mount Jackson, Town of	740	117	\$30.75	\$46.15	2013	\$6,150	\$5,000	
Nelson County	83	13	\$36.00		2013		\$2,000	
Nelson County Service Authority (Wintargreen)	2,238	24	\$52.35		2011	\$10,500	\$4,000	
Nelson County Service Authority (Lovington)	531	121	\$48.70		2011	\$10,496	\$4,000	
New Kent County	2,301	99	\$33.91		2013	\$7,559	\$4,650	
Norfolk, City of	63,056	5,048	\$29.70		2013	\$5,763	\$525	
Norton, City of	1,905	355	\$33.30	\$52.20	2013	\$4,018	\$240	
Onancock, Town of			\$37.07					
Orange, Town of	1,947	382	\$26.60	\$64.90	2005	\$4,013		\$2,000
Pearisburg, Town of	1,621	143	\$33.50	\$58.63	2009	\$4,739	\$500	
Pennington Gap, Town of	975	134	\$25.40	\$29.40	1999	\$6,692	\$450	
Pittsylvania County Service Authority	2,966	25	\$26.00		2011	\$5,996	\$955	
Powhatan County	4	73	\$28.01		2013	\$3,710		\$4,100
Prince Edward County	5		\$26.93		2009		\$4,500	
Pulaski, Town of	4,357	285	\$21.84	\$40.03	2013	\$2,279	\$800	
Purcellville, Town of	2,319	292	\$44.53	\$81.55	2013		\$25,754	

APPENDIX B
Proposed Revenue & User Rates YR. 1

Proposed Revenue & User Rates Year 1

Annual Expense \$220,000.00

Proposed Rates			
First	2 thousand gallons	@	26.00 min.
Over	2 thousand gallons	@	7.43 per 1000

<u>Year</u>	<u>Revenue</u>	<u>Expense</u>	<u>Surplus</u>
1	\$220,089.56	\$220,000.00	\$89.56
<u>Profile</u>	<u>Description</u>	<u>Annual Usage</u>	<u>Revenue</u>
A	144 customers using < 2000 gallons (Assumed usage of 1500 gallons)	2,592,000	\$44,928.00
B	215 customers using 2000 gallons	5,160,000	\$67,080.00
C	215 customers using > 2000 gallons purchased at the per thousand rate	14,546,644	\$108,081.56
Totals		22,298,644	\$220,089.56

APPENDIX C
Proposed Revenue & User Rates YR. 2

Proposed Revenue & User Rates Year 2

Annual Expense \$245,000.00

<u>Proposed Rates</u>			
First	2 thousand gallons	@	29 min.
Over	2 thousand gallons	@	8.26 per 1000

<u>Year</u>	<u>Revenue</u>	<u>Expense</u>	<u>Surplus</u>
2	\$245,087.28	\$245,000.00	\$87.28
<u>Profile</u>	<u>Description</u>	<u>Annual Usage</u>	<u>Revenue</u>
A	144 customers using < 2000 gallons (Assumed usage of 1500 gallons)	2,592,000	\$50,112.00
B	215 customers using 2000 gallons	5,160,000	\$74,820.00
C	215 customers using > 2000 gallons purchased at the per thousand rate	14,546,644	\$120,155.28
Totals		22,298,644	\$245,087.28

IN RE: CLOSED SESSION

None

IN RE: ADJOURN

Kenneth R. Belton made the motion to continue the meeting to May 20th, 2015; duly seconded by Glen E. Rosenbaum. Motion carried 4-0.