

BOARD OF SUPERVISORS MEETING

AGENDA

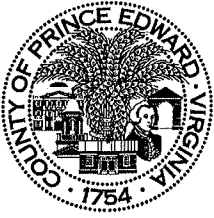
March 27, 2018

5:30 p.m.

- | | <u>Page #</u> |
|--|---------------|
| 1. Call To Order | 1 |
| 2. Farmville District #101 Vacancy on the Board of Supervisors | 3 |
| • Peter Gur | 5 |
| • Edgar D. Jones | 22 |
| 3. Presentation of the County Administrator's FY 19 County Budget | 25 |
| 4. Closed Session: Section 2.2-3711 (A)(8), Code of Virginia—Consultation with Legal Counsel | 33 |

7:30 p.m.

- | | |
|--|----|
| 5. Public Hearing: STEPS Centre Lease | 35 |
| 6. Recess Until: March 29, 2018 at 2:00 p.m. | |



**County of Prince Edward
Board of Supervisors
Agenda Summary**

Meeting Date: March 27, 2018
Item No.: 1
Department: Board of Supervisors
Staff Contact: W.W. Bartlett
Issue: Call To Order

Summary: Chair Cooper-Jones will call to order the March 27, 2018 special meeting of the Prince Edward Board of Supervisors.

Attachments:

Recommendation:

Motion _____
Second _____

Cooper-Jones _____
Emert _____
Jones _____

Pride _____
Timmons _____

Townsend _____
Wilck _____



**County of Prince Edward
Board of Supervisors
Agenda Summary**

Meeting Date: March 27, 2018
Item No.: 2
Department: County Administration
Staff Contact: W.W. Bartlett
Issue: Appointment to fill vacant Board Seat for Farmville District 101

Summary:

At a special called meeting on February 21, 2018 the Board of Supervisors heard the County Attorney explain the requirements and options available to the Board under the Code of Virginia. After that discussion the Board authorized the County Attorney to file a petition and seek a Writ of Election from the Circuit Court for a special election to be held on November 6, 2018 to fill the vacancy for District 101.

Additionally, the Attorney informed the Board if they desired to make an appointment to fill the seat until the special election that the appointment must be made within 45 days of the vacancy. The Board was informed if they did not make an appointment the Circuit Court may make the appointment, Attachment 1.

Today is the 43rd day of vacancy if you do not count February 13, 2018.

The County has received 2 applications from citizens interested in serving. These applications are attached. If the Board wishes to appoint someone the Board is not restricted to considering only the citizens submitting an application. The Board can appoint any qualified citizen. The Board can also interview any or all of the candidates in closed session before making a decision.

Attachments: Code of Virginia, Section 24.2-228
Citizen Volunteer Applications

Recommendation:

Motion _____ Cooper-Jones _____ Pride _____ Townsend _____
Second _____ Emert _____ Simpson _____ Wilck _____
Jones _____ Timmons _____

Code of Virginia
 Title 24.2. Elections
 Chapter 2. Federal, Commonwealth, and Local Officers

§ 24.2-228. Interim appointment to local governing body or elected school board; elected mayor.

A. When a vacancy occurs in a local governing body or an elected school board, the remaining members of the body or board, respectively, within 45 days of the office becoming vacant, may appoint a qualified voter of the election district in which the vacancy occurred to fill the vacancy. If a majority of the remaining members of the body or board cannot agree, or do not act, the judges of the circuit court of the county or city may make the appointment. Notwithstanding any charter provisions to the contrary, the person so appointed shall hold office only until the qualified voters fill the vacancy by special election pursuant to § 24.2-682 and the person so elected has qualified. Any person so appointed shall hold office the same as an elected person and shall exercise all powers of the elected office.

If a majority of the seats on any governing body or elected school board are vacant, the remaining members shall not make interim appointments and the vacancies shall be filled as provided in § 24.2-227.

B. When a vacancy occurs in the office of a mayor who is elected by the voters, the council shall make an interim appointment to fill the vacancy as provided in subsection A.

C. For the purposes of this article and subsection D of § 22.1-57.3, local school boards comprised of elected and appointed members shall be deemed elected school boards.


D. The failure of a member of a local governing body or elected school board or mayor to take the oath of office required by § 49-1 before attending the first meeting of the governing body or school board held after his election shall not be deemed to create a vacancy in his office provided that he takes the oath within 30 days after that first meeting.

1975, c. 515, § 24.1-76.1; 1993, c. 641; 1996, c. 873; 1999, c. 128; 2010, cc. 431, 624; 2011, c. 78.

The chapters of the acts of assembly referenced in the historical citation at the end of this section may not constitute a comprehensive list of such chapters and may exclude chapters whose provisions have expired.

3/27/2018


Virginia Law Library

The Code of Virginia, Constitution of Virginia, Charters, Authorities, Compacts and Uncodified Acts are now available in both EPub and MOBI eBook formats. 

Helpful Resources

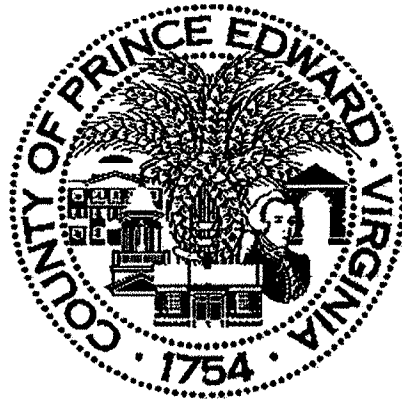
[Virginia Code Commission](#)
[Virginia Register of Regulations](#)
[U.S. Constitution](#)

For Developers

The Virginia Law website data is available via a web service. 

Follow us on Twitter





CITIZEN APPLICATION
FARMVILLE ELECTION DISTRICT 101

Date March 14, 2018

Name Peter Gur

Home Address 1813 Woodland Trail

City Farmville State Virginia Zip Code 23901

Home Telephone Number (434) 547-0976 FAX

E-Mail Address petergur@msn.com

Optional Information Which May Prove Helpful:

Occupation Prince Edward Public Schools: School Board Member

Former Occupation, If Retired

Southside Virginia Community College: Adjunct Associate Professor,

2010-2017

Kenston Forest School: Upper School Science Teacher

2010-2013

Governor's School of Southside Virginia: High School Science Teacher

2003-2010

Liberty High School in Bealeton, Fauquier: High School Science Teacher

2001-2003

Prince Edward County High School: Chemistry Teacher

1998-2001

Education: High School

Chung-Kung High School in Taipei Year 1967-1971

College/Technical School

Soochow University in Taipei Year 1975-1975

Graduate School

Michigan State University in E. Lansing, MI, Ph.D. Year 1979-1987

Virginia Commonwealth University in Richmond, VA, MT Year 1995-2000

University of Virginia in Charlottesville, VA, MAPE Year 2001-2007

Military Service Years

Degrees/Other

Past Board, Commission, and Committee Assignments

Professional, Civic, or Other Activities

American Chemical Society: Member, 1980-present

Prince Edward Democratic Committee: Treasurer, 2010-2014; 2016-2020

Richmond Chinese School: Principal, 2010-2013

Chairman, 2016-2017

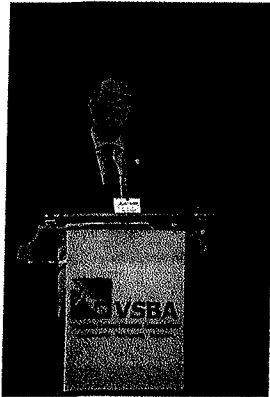
Treasurer, 2017-2018

You are highly encouraged to answer the following questions. Failure to answer may place you at a disadvantage compared to other applicants. Please attach additional pages if required.

Please state below your interest and/or reason to seek appointment by the Board of Supervisors and any special qualities that qualify you for this appointment.

As a school board member of Prince Edward County Public Schools, I learned to obey the Code of Virginia, propose school budget, and follow the Virginia Freedom of Information Act.

On January 22-23, 2018, I attended the Virginia School Board Associate (VSBA) Capital Conference. Governor Ralph Northam told the school board members that his priorities are education, health, economy, and diversity. I would apply Northam's policies to Prince Edward County to make the county a more perfect community.



Governor Ralph Northam



Virginia Secretary of Education
Atif Qami



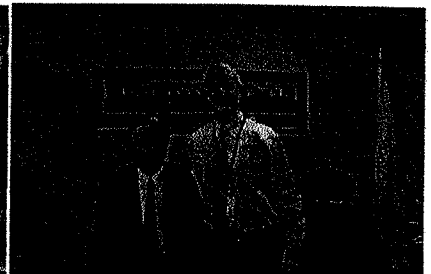
Delegate Emily M. Brewer



Delegate Danica A. Roem
Delegate Sam Rasoul



Delegate Christ L. Hurst
Delegate Emily M. Brewer



State Senator Mark J. Peake

Governor Northam told us, "I want to get all students get world grade education," and "Virginia has surplus pay for teachers, and we will be able to recruit and retain qualified teachers." Mr. Atif Qami, Virginia Secretary of Education, also told us, "Once a marine, always a marine; once a teacher, always a teacher." Northam and Qami intend to visit all school divisions during their 2018 spring tour and fall tour. I also met with many delegates later. They talked about the new Standards of Accreditation approved by Virginia board of Education on Nov. 16, 2017. They would like all schools to improve.

Farmville is the America's first two college town with Longwood University and Hampden Sydney College. Among the 1823 Virginia public schools, 1573 schools are fully accredited; however, none of the Prince Edward Public Schools are fully accredited. The high school is partially accredited: warned school-pass rate, math 59; the middle school is a reconstituted school, English 63; and, the elementary school is also a reconstituted school, English 55. It will take the school division a lot of effort to make all schools fully accredited.

Governor Northam told us that Virginia is the 13th wealthiest state in the United States. He said, "It was once a stigma: If you don't go to a four-year college, you won't successful. Actually, there are a lot of good jobs, such as the cyber security." He will improve infrastructure to reduce the travel jam in the Northern Virginia.

After the 2016 Vice President Debate, the business is booming in Prince Edward County. Several new hotels are under construction. Along East Third Street, there are about 20 acres of land available for development. However, it needs to build new infrastructure at the junction of U.S. Route 460 and East Third Street. According to the *Town of Farmville 2035 Transportation Plan*, the town plans to construct a fully functional East U.S. Route 460 Interchange (*Plan*, p.4). After the interchange is constructed, the county and 101 District will produce more business.

Governor Northam said that he also supports the expanded Medicaid, so 400,000 Virginians will receive health benefit; otherwise, other states will receive six million dollars per day. I would support to give the 100 Prince Edward County hard-working employees a 2% salary increase per year and affordable health insurance.

Please list any current or past involvement in the Prince Edward Community, to include community organizations.

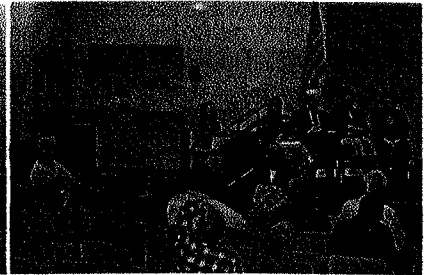
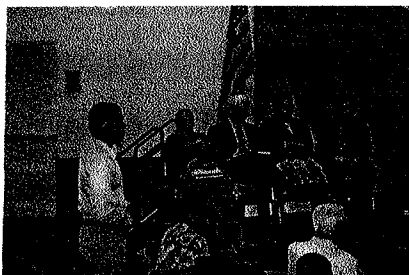
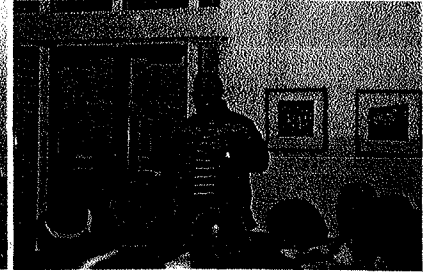
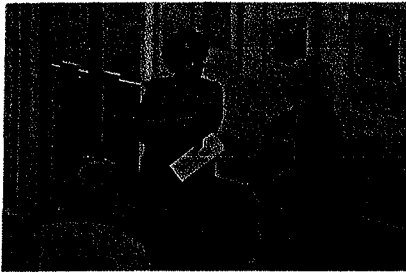
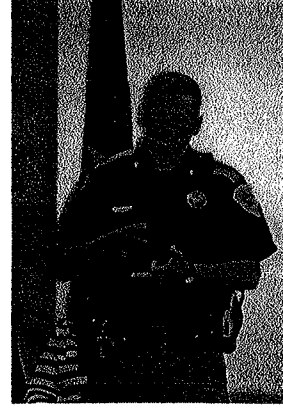
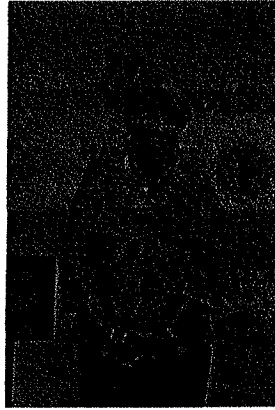
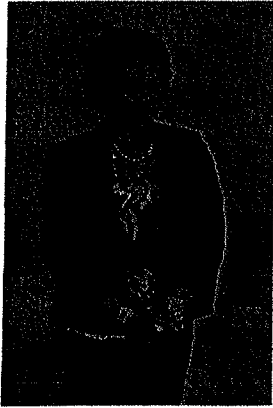
I like to involve with different Prince Edward community events. So, I know what have happened in the county and I also can estimate how these events benefited the community members.

Prince Edward County Sheriff's Office received the Certificate of Accreditation, at Prince Edward County Middle School on February 20, 2014.



All Citizens of Hampden District 401 Town Hall Meeting by Dr. Odessa Pride, at Hampden-Sydney College Crawley Forum on April 6, 2017,





Heart of Virginia Master Gardner Plant Sale, at Farmville Train Station on May 6, 2017.



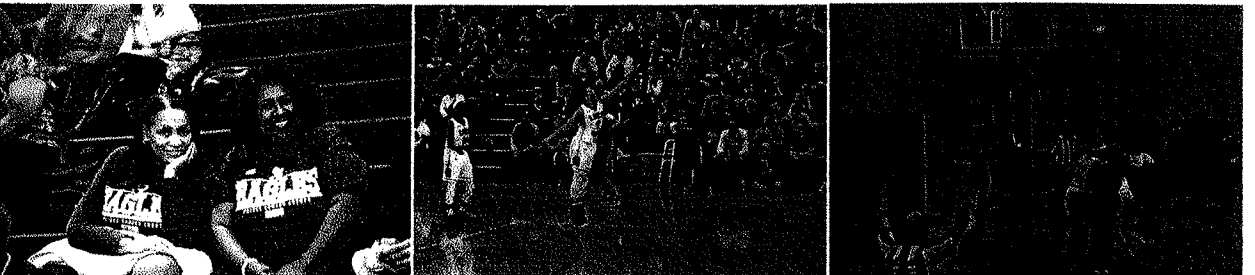
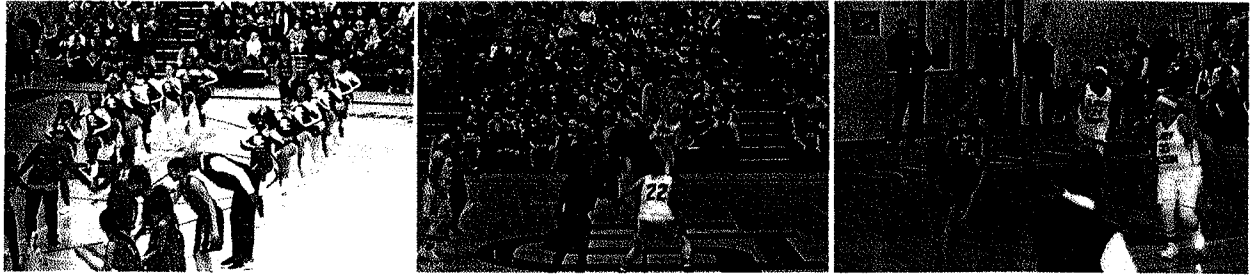
Nightout: at Parkview Apartment on August 1, 2017



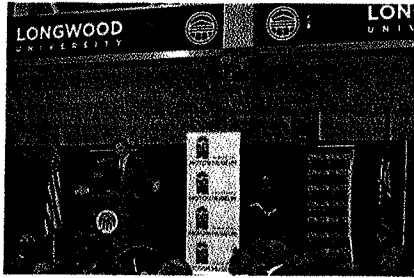
Virginia State University Alumnum: Prince Edward County Chapter Banquet, at Prince Edward Middle School on January 13, 2018 at 12:00 pm.



Virginia High School League Girls Basketball 2A Quarter Final: Prince Edward High School at Buffalo Gap High School on March 2, 1978.



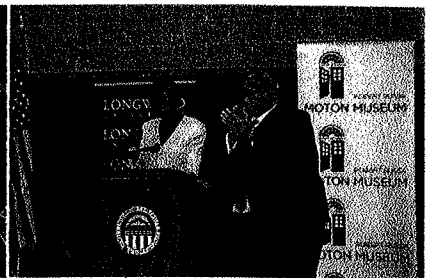
Morton Community Banquet 2018, at Longwood University Health & Fitness Center, March 10, 2018.



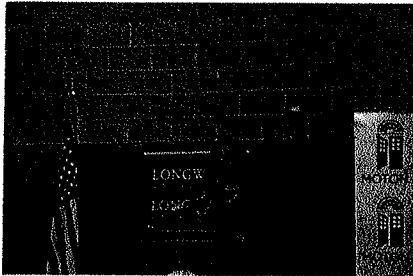
Taylor Reveley IV
Megan Clark



Beulah Womack
Lucy B. Carson
Cainan D. Townsend
Elzora G. Stiff
Dr. Barbara A. Johnson



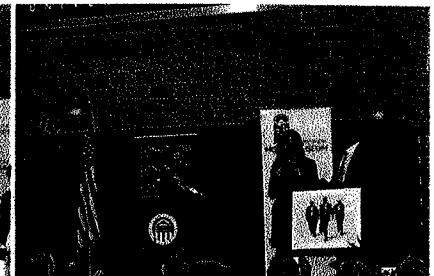
Joy Cabarrus Speakes
Cameron Patterson



Keynote Speaker
Mrs. Nadine Marsh-Carter



Mrs. Nadine Marsh-Carter



Megan Clark
Mrs. Nadine Marsh-Carter
Cainan D. Townsend

State any leadership positions you may have held in the past or are currently holding, or leadership positions you have held.

As the treasurer of Prince Edward Democratic Committee, I help the party to raise money to support all Democratic Party candidates. In Virginia, every year is an election year. When we won, we rejoiced; however, if we lost, we grieved but will come back next year.

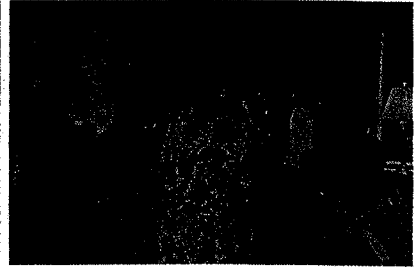
Congratulation Victory To All! At Farmville Train Station on November 3, 2015



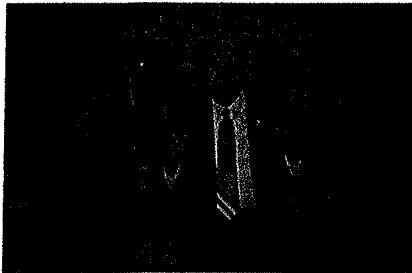
James E Ghee announced
the General Election results



Pattie Cooper Jones
Board of Supervisor,
District 801 Farmville



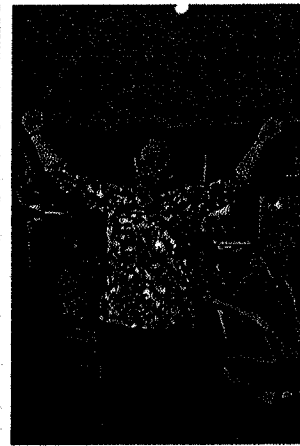
Dr. Odessa Pride
Board of Supervisor,
District 401 Hampden



Howard F. Simpson
Board of Supervisor,
District 101 Farmville



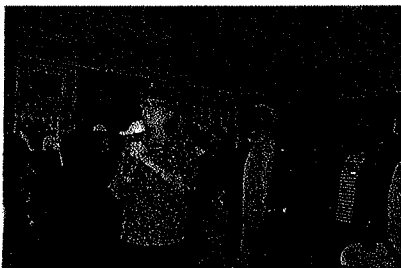
Megan Clark
Commonwealth
Attorney



Donna B. Nunnally
County Treasurer



Wesley Reed
Sheriff



Beverly M. Booth
Commissioner of Revenue



Congratulation
Victory To All!

Watch Party of U.S. Vice President Debate at Longwood University, at STEP on October 4, 2016.



Tim Kaine for U.S. Senator 2018, at Fishing Pig Farmville on January 5, 2018.



Do you currently have a family member who is employed by the county or any constitutional office? If yes, please explain.

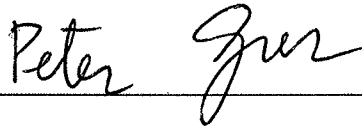
No, I don't current have any family member who is employed by the county or any constitutional office.

Do you have a business relationship with any county department or constitutional office?

No, I don't current have any business relationship with any county department or constitutional office.

By submitting this application to the County of Prince Edward, I hereby certify that all information contained herein is true and complete and I consent to the dissemination of this document to the general public. If appointed, I understand that I will be required to fully comply to the requirements of the Virginia Conflict of Interest Act, Virginia Freedom of Information Act and other applicable sections of the Code of Virginia.

March 14, 2018



Signature

Date

Please Return Application To:

Prince Edward County Administrator's Office

Post Office Box 382, 111 South Street, 3rd Floor

Farmville, Virginia 23901

Tel: 434-392-8837 -- FAX: 434-392-6683

e-mail: info@co.prince-edward.va.us



COMMONWEALTH OF VIRGINIA
HOUSE OF DELEGATES
RICHMOND

JAMES E. EDMUNDS II
POST OFFICE BOX 1115
HALIFAX, VIRGINIA 24558

SIXTIETH DISTRICT

COMMITTEE ASSIGNMENTS:
HEALTH, WELFARE AND INSTITUTIONS
AGRICULTURE, CHESAPEAKE AND
NATURAL RESOURCES
MILITIA, POLICE AND PUBLIC SAFETY

February 16, 2018

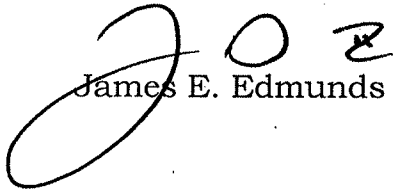
Mr. Peter Gur
1813 Woodland Trail
Farmville, VA 23901

Dear Mr. Gur,

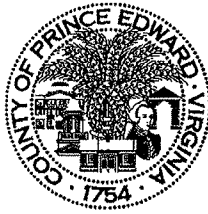
Thanks for visiting my office in Richmond on February 15th, 2018. Visitors from home are always welcome! I am sorry I didn't have the opportunity to talk with you during your visit but hope that your trip was enjoyable and informative.

I continue to need your help in making good decisions for our district so please don't hesitate to contact me any time you have a concern. While I am in session I can be reached at 804.698.1060 or by email at deljedmunds@house.virginia.gov. I look forward to hearing from you.

Sincerely,


James E. Edmunds II

Sorry I missed you!



CITIZEN APPLICATION
FARMVILLE ELECTION DISTRICT 101

Date 2-28-18

Name Edgar D. Jones

Home Address 1600 Price Dr.

City Farmville State VA Zip Code 23901

Home Telephone Number 434-392-5719 FAX _____

E-Mail Address edgarjonesagent@gmail.com

Optional Information Which May Prove Helpful:

Occupation State Farm Agent

Former Occupation, If Retired _____

Education: High School Prince Edward County Year 1999

College/Technical School Virginia Tech Year 2002

Graduate School _____ Year _____

Military Service _____ Years _____

Degrees/Other _____

Past Board, Commission, and Committee Assignments _____

-Prince Edward IDA, Central VA Regional Library

Professional, Civic, or Other Activities Prince Edward Farmville Youth Assoc.

Active at Heritage Baptist Church, Cub Scout Pack 6296,
Boy Scout Troop 6516, Farmville Lions Club

You are highly encouraged to answer the following questions. Failure to answer may place you at a disadvantage compared to other applicants. Please attach additional pages if required.

Please state below your interest and/or reason to seek appointment by the Board of Supervisors and any special qualities that qualify you for this appointment.

Having grown up in Prince Edward county and now
as a parent, business owner, and concerned
citizen I want to be an active part of the
future success in Prince Edward county

Please list any current or past involvement in the Prince Edward Community, to include community organizations.

PEFYA - Coach + supporter ...

* See earlier application ? Pastboard... and Professional... *

State any leadership positions you may have held in the past or are currently holding, or leadership positions you have held.

Heritage Baptist Church - Deacon, Treasurer, Finance Chair
Lions Club - Chair of Golf tournament
Cub Scout Pack 6296 - Committee Chair
BB&T - 2002-2008 Financial Center Leader
State Farm Agency - 2008-2018 Current Business Owner

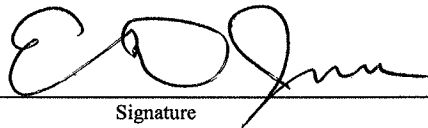
Do you currently have a family member who is employed by the county or any constitutional office? If yes, please explain.

No

Do you have a business relationship with any county department or constitutional office?

No

By submitting this application to the County of Prince Edward, I hereby certify that all information contained herein is true and complete and I consent to the dissemination of this document to the general public. If appointed, I understand that I will be required to fully comply to the requirements of the Virginia Conflict of Interest Act, Virginia Freedom of Information Act and other applicable sections of the Code of Virginia.



Signature

2-28-18

Date

Please Return Application To:
Prince Edward County Administrator's Office
Post Office Box 382, 111 South Street, 3rd Floor
Farmville, Virginia 23901
Tel: 434-392-8837 -- FAX: 434-392-6683
e-mail: info@co.prince-edward.va.us



County of Prince Edward
Board of Supervisors
Agenda Summary

Meeting Date: March 27, 2018
Item No.: 3
Department: County Administration
Staff Contact: W.W. Bartlett
Issue: Budget Presentation

Summary:

Attached are the Budget Transmittal letter, a power point presentation highlighting various aspects the County Administrators proposed FY19 budget and the annual FY19 budget binder containing the proposed budget contained in the County’s financial system.

Attachment:

1. Budget Transmittal Letter dated March 27, 2017
2. Power Point Presentation – FY19 Budget
3. FY19 Prince Edward County Budget binder

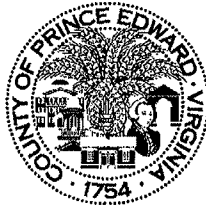
Recommendation: Receive the County Administrator’s proposed budget and begin the budget process.

Motion _____
Second _____

Cooper-Jones _____
Emert _____
Jones _____

Pride _____
Simpson _____
Timmons _____

Townsend _____
Wilck _____



March 27, 2018

TO: Prince Edward County Board of Supervisors

FROM: W.W. Bartlett, County Administrator

SUBJECT: FY 19 County Budget

ENCLOSURES: (1) Projected Fund Balance Chart for FY18
(2) Projected Fund Balance Chart for FY19
(3) Outside Agencies

INTRODUCTION

I am pleased to present to the Board of Supervisors my recommended budget for Prince Edward County for Fiscal Year 2019 (FY19). I look forward to feedback and questions from the Board as you consider my recommendations and make adjustments as you move through the budget process, eventually agreeing on a final budget. The development of the budget is the single most important function the County staff completes during any year. The budget is the County's chief decision-making document detailing both the revenue generation decisions of the Board and the allocation of those resources. I could not have presented the budget today without the help of the Judges, Constitutional Officers, School Superintendent, Department Directors and my staff in the County Administrator's office. I would like to thank each of them for their assistance.

The input provided by the Board of Supervisors during the initial budget planning meeting on March 6, 2018 served as the primary direction I followed in developing my recommended budget. The FY18 budget served as a starting point for the development of the FY19 budget. This meant past decisions by the Board were carried into FY19, specifically the spending reductions approved during the FY15 budget development process and the approved policy regarding funding outside organizations.

Before developing the FY19 budget I had to understand the current financial position of the County and project how that position may change during the course of the current fiscal year. In other words, what will Prince Edward's FY19 financial starting point be on July 1, 2018?

FORECAST OF FY18 BUDGET RESULTS

Enclosure (1) is a chart of projected fund balances at the end of FY18 for our major budgetary funds. When totaling the funds together I predict the fund balance will increase by \$1,464,471 to slightly more than \$13.7 million. Some of these funds have restrictions on their use, either by legal restrictions or by past practice of the Board of Supervisors. Of that amount \$465,657 is contained in the School Cafeteria Fund and can only be used for costs associated with the operations of the cafeteria. An additional \$1,486,682 is found in the landfill construction fund which has historically been used to pay for the opening and closing of landfill cells. There is no mandatory requirement to pay such costs in cash, thus those funds are available for use at the discretion of the Board of Supervisors. It is predicted the Forfeited

Asset Fund will contain \$47,330 and the Piedmont Court Services Fund will have \$336,539 at the end of FY18.

The Forfeited Asset Fund is legally restricted for law enforcement purposes only and the Piedmont Court Services Fund is used to support the regional delivery of services associated with that office. Assuming the cash in the four funds mentioned above cannot be used, the unrestricted cash balance for Prince Edward County at the end of FY18 is projected to be \$11,379,295. Historically, the County's cash balances decrease about 42% from the end of June until it hits its low point which is typically in September or October. Assuming cash needs will follow the same pattern, the County's cash balance will drop to about \$6.6 million sometime in September or October. On top of the normal cash flow cycle we are in the midst of a major renovation project for the Courthouse and the former STEPS CENTRE. The estimated cost of all phases of the project could be between \$3 - \$4 million. Subtracting that expense means the County's cash balances could decline between \$3.3 - \$2.3 million in the fall before recovering once the real estate and personal property tax bills are mailed. While still a significant cash balance, that amount would be the lowest for the County in several years.

The increase in the cash balance in the General Fund was the result of both revenues exceeding expectations and savings in expenditures. The General Fund is our primary source of revenue and supports the majority of all County operations. The General Fund will end FY18 with an estimated increase in the fund balance of \$1,206,498 bringing the cash reserve to \$ 11,569,870. A combination of better than expected revenues and lower than expected spending led to this positive result.

General Property taxes are estimated to generate \$306,359 more than contained in the budget. Collections exceeding the budget for Personal Property Tax (\$269,365) and Merchants Capital (\$54,059) were the primary reason for this positive result. Revenues from Fines & Forfeitures will exceed budgeted amounts by \$23,034 and the Local Recordation Tax collections will be about \$45,000 greater than budgeted. Revenues from the state associated with the Child Services Act (CSA) should be approximately \$173,000 less than the original budget. But this reduction in revenue is more than offset by a reduction in CSA expenditures of \$250,000 with the end result being a local savings of \$77,000.

Expenditures in the General Fund are forecast to be about \$1,078,327 less than budgeted. The School Superintendent is estimating the need to use almost \$602,000 less in local funding than originally budgeted. That is the single largest savings item for FY18. Additional, savings can be found in the Planning Department (\$56,000), Economic Development Office (\$44,000), the Regional Jail (\$183,329), Juvenile Detention (\$25,000), Clerk of Circuit Court (\$30,000) and CSA as mentioned above (\$250,000). Holding positions vacant generated the savings in the departments, having fewer inmates than estimated caused the savings in the Regional Jail and Juvenile Detention and a reduction in the number of children requiring services caused the under expenditure in CSA.

FY19 BUDGET

For FY19, the recommended budget for all funds is \$54,631,302. The budget is balanced, and as directed by the Board of Supervisors this was accomplished with no increase in tax rates or use of the General Fund Fund Balance. In fact, it is projected that \$235,407 will be added to the fund balance in the General Fund.

There is a significant expenditure item not contained in the FY19 budget. This is the Courthouse renovation project and renovations at the STEPS CENTRE. The County is in the process of obtaining

bids on both of these projects. Until that is accomplished we will not receive an estimate of the cost for this project.

After adjusting for the non-cash expense of depreciation, to balance the water and sewer funds required the transfer from the General Fund of \$237,579 to the water fund and \$89,579 to the sewer fund. The Welfare Fund (Social Services) will require the transfer of \$600,000 from the General Fund to meet the local funding requirements for the programs overseen by Social Services. These are approximately the same amounts as in FY18.

Enclosure (2) is a chart that shows the anticipated revenues, expenses and projected fund balances of the various funds at the end of FY19.

FACTORS SHAPING THE FY19 PROPOSED BUDGET

The dominant factor in developing the FY19 budget was the lack of a final budget from the General Assembly. The major impact on the General Fund is primarily restricted to the uncertainty of the funding the County receives to support the Constitutional Officers. From the information I have received the funding of these officers is not controversial or in jeopardy. In building the FY19 I assumed we will receive funding from the state for the Constitutional offices as we normally do. The same cannot be said in regards to funding for the Schools. The funding for K-12 education is considerably different in each of the budgets (Governor, Senate, House). Because the County provides approximately \$3 million more in local funding than is required by the SOQ, I recommend the local contribution be held the same as was provided in FY18 (\$8,440,984). Once the final funding numbers are provided by the state the Schools will be required to adjust their budget accordingly. In addition, the Board of Supervisors provided guidance that they would not support any tax increases and expenses should be held in check in anticipation of the expenses associated with the renovations to the Courthouse/STEPS CENTRE.

With a few exceptions all expenses have been held at level funding or decreased. This includes the charitable donations and County departments. There are four large capital expenditure items in the proposed budget. These are (1) \$135,000 to allow the Sheriff to purchase 3 new cars, (2) \$32,350 to purchase computers, printers etc., (3) \$45,000 to purchase an animal control truck, and (4) \$75,000 for the second payment for the new voting machines. In addition to these capital items I have included \$42,000 for the development of a GIS system and \$15,000 for a redesign of the County's website.

Our technology consultant has informed me he may be retiring in December 2020. The consultant assists with all tax preparations, retrieval of information from DMV to prepare Personal Property Tax Tickets, install equipment and software upgrades for PCs and the IBM AS400 to include the BRIGHT financial system. He is responsible for building and maintaining the County's internet network. Besides these critical networks the Sheriff's new IBR system will require someone trained to install, maintain and monitor this system. To implement a smooth succession plan to ensure these critical functions are not interrupted I have budgeted for the hiring of a full-time position. We are fortunate to have someone locally that is highly proficient in most of this technology and would be a valuable addition to the County. Not only is he technically savvy but he is also a lawyer. I am proposing hiring Brain Butler to become the County's in-house IT support and serve as County Attorney for most issues. Mr. Ennis will still be used on a part-time basis to continue work involving the Manor and any other work the Board so desires. Once fully implemented several cost savings will be realized and IT support will expand. A more detailed explanation of this proposal will be presented during the budget process.

Due to the refinancing of debt in 2017 the County's debt expense in FY19 is almost \$200,000 less than the previous year while capital expenditures are approximately \$150,000 less than in FY18 because of the completion of the purchase of the IBR system for the Sheriff.

The \$10,000 placed in the Planning and Community Development budget last year to be used to pay for officers to oversee additional inmate work crew is not in the proposed budget. This program was not as effective as hoped. But I have spoken with the interim jail superintendent and he has revamped the work crew program. The changes he has instituted (use of weekend inmates, expansion of officers certified, etc.) will result in an increase in the number of work crews and the number of inmates on each crew. It is anticipated these changes will provide additional coverage at no cost increase.

Enclosure (3) is a listing of outside agencies showing the funding approved by the Board for FY18, the request from the agency for FY19 and my recommendations for FY19. The Board of Supervisors agreed to a funding policy for outside agencies that removed public safety organizations and governmental organizations from this category and restricted the amount of funding to \$150,000. I am recommending all agencies receive the same funding as they received in FY18 with no new agencies added. The total amounts to \$145,123. This leaves \$4,877 that could be used at the discretion of the Board.

There are a number of outside factors that may still impact the FY18 budget, especially the failure of the General Assembly to adopt a budget. Final decisions and implementing instructions regarding the Commonwealth's budget have not been received. Thus, there is still uncertainty regarding the final disposition of State and Federal funding at the local level, but we must proceed with the information we have at hand.

Conclusion

I look forward to our future work sessions and realize the Board may make changes to the proposed budget; that is understandable and expected. Thank you for the opportunity to present this budget for the citizens of Prince Edward County.

**PRINCE EDWARD COUNTY
ESTIMATED FUND BALANCE 06/30/2018**

	<u>Audited Cash</u> <u>Balance</u> <u>06/30/17</u>	<u>Projected</u> <u>Revenues</u> <u>FY18</u>	<u>Projected</u> <u>Exp/</u> <u>Transfers</u> <u>FY18</u>	<u>Projected</u> <u>Cash</u> <u>Balance</u> <u>06/30/18</u>	<u>Net (Decrease)</u> <u>Increase</u>
GENERAL	\$10,363,372	\$22,495,762	\$21,289,264	\$11,569,870	\$1,206,498
FORFEITED ASSETS	\$56,236	\$2,046	\$10,952	\$47,330	(\$8,906)
POPLAR HILLS CDA	\$87,685	\$110,709	\$130,933	\$67,461	(\$20,224)
GRANITE FALLS CDA	\$0	\$1,600	\$1,600	\$0	\$0
DARE	\$4,945	\$0	\$1,500	\$3,445	(\$1,500)
ECONOMIC DEVELOPMENT	\$672,480	\$0	\$43,368	\$629,112	(43,368)
PIEDMONT COURT SERVICES	\$316,616	\$522,094	\$502,171	\$336,539	\$19,923
RETIREMENT	\$ -	\$13,584	\$13,584	-	\$0
SOCIAL SERVICES	\$0	\$3,028,693	\$3,028,693	\$0	\$0
TOTAL GENERAL GOVERNMENTAL	\$11,501,334	\$26,174,488	\$25,022,065	\$12,653,757	\$1,152,423
WATER	\$ (392,227)	\$235,506	\$235,506	\$ (392,227)	\$0
SEWER	\$ (529,706)	\$93,329	\$90,073	\$ (526,450)	\$3,256
SOLID WASTE	0	\$ 1,432,895	\$ 1,432,895	-	-
TOTAL ENTERPRISE FUNDS	\$ (921,933)	\$1,761,730	\$1,758,474	\$ (918,677)	\$3,256
LANDFILL CONSTRUCTION	\$ 1,177,890	\$308,792	\$0	\$1,486,682	\$ 308,792
RECREATION FUND	\$8,084	\$0	\$0	\$8,084	-
TOTAL CAPITAL FUNDS	\$1,185,974	\$308,792	\$0	\$1,494,766	\$ 308,792
Subtotal	\$11,765,375	\$28,245,010	\$26,780,539	\$13,229,846	\$ 1,464,471
SCHOOLS	\$0	\$25,693,974	\$25,693,974	\$0	-
CAFETERIA	\$465,657	\$1,094,913	\$1,094,913	\$465,657	-
SCHOOL CONSTRUCTION	\$0	\$0	\$0	\$0	-
UNDERGROUND STORAGE TANK	\$20,000	\$0	\$0	\$20,000	-
TOTAL SCHOOL FUNDS	\$485,657	\$26,788,887	\$26,788,887	\$485,657	-
TOTAL ALL FUNDS	\$12,251,032	\$55,033,897	\$53,569,426	\$13,715,503	\$ 1,464,471

NOTES:

1. Revenues do not contain draws from Fund Balances
2. Expenditures do not contain deposits to Fund Balances
3. Expenditures do not contain the non-cash Expense of Depreciation

Enclosure (1)

**PRINCE EDWARD COUNTY
ESTIMATED FUND BALANCE 06/30/2019**

	<u>Projected Cash Balance 06/30/18</u>	<u>Projected Revenues FY19</u>	<u>Projected Exp/ Transfers FY19</u>	<u>Projected Cash Balance 06/30/19</u>	<u>Net (Decrease) Increase</u>
GENERAL	\$11,569,870	\$22,134,870	\$21,899,463	\$11,805,277	\$235,407
FORFEITED ASSETS	\$47,330	\$260	\$2,000	\$45,590	(\$1,740)
POPLAR HILLS CDA	\$67,461	\$110,709	\$110,709	\$67,461	\$0
GRANITE FALLS CDA	\$0	\$1,600	\$1,600	\$0	\$0
DARE	\$3,445	\$0	\$1,500	\$1,945	(\$1,500)
ECONOMIC DEVELOPMENT	\$629,112	\$0	\$43,368	\$585,744	(\$43,368)
PIEDMONT COURT SERVICES	\$336,539	\$527,561	\$566,274	\$297,826	(\$38,713)
RETIREMENT	\$0	\$13,584	\$13,584	\$0	\$0
SOCIAL SERVICES	\$0	\$3,028,693	\$3,028,693	\$0	\$0
TOTAL GENERAL GOVERNMENTAL	\$12,653,757	\$25,817,277	\$25,667,191	\$12,803,843	\$150,086
WATER	\$ (392,227)	\$238,329	\$238,329	\$ (392,227)	\$0
SEWER	\$ (526,450)	\$91,579	\$89,579	\$ (524,450)	\$2,000
SOLID WASTE	\$0	\$1,365,428	\$1,365,428	\$0	\$0
TOTAL ENTERPRISE FUNDS	\$ (918,677)	\$1,695,336	\$1,693,336	\$ (916,677)	\$2,000
LANDFILL CONSTRUCTION	\$1,486,682	\$258,000	\$258,000	\$1,486,682	\$ -
RECREATION FUND	\$8,084	\$0	\$0	\$8,084	\$ -
TOTAL CAPITAL FUNDS	\$1,494,766	\$258,000	\$258,000	\$1,494,766	\$ -
Subtotal	\$13,229,846	\$27,770,613	\$27,618,527	\$13,381,932	\$ 152,086
SCHOOLS	\$0	\$25,765,776	\$25,765,776	\$0	\$ -
CAFETERIA	\$465,657	\$1,094,913	\$1,094,913	\$465,657	\$ -
SCHOOL CONSTRUCTION	\$0	\$0	\$0	\$0	\$ -
UNDERGROUND STORAGE TANK	\$20,000	\$0	\$0	\$20,000	\$ -
TOTAL SCHOOL FUNDS	\$485,657	\$26,860,689	\$26,860,689	\$485,657	\$ -
TOTAL ALL FUNDS	\$13,715,503	\$54,631,302	\$54,479,216	\$13,867,589	\$ 152,086

NOTES:

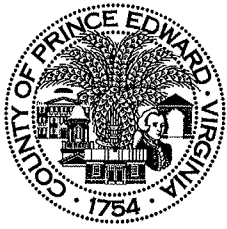
1. Revenues do not contain draws from Fund Balances
2. Expenditures do not contain deposits to Fund Balances
3. Expenditures do not contain the non-cash Expense of Depreciation

Enclosure (2)

OUTSIDE AGENCIES FUNDING RECOMMENDATIONS

			FY18 ADOPTED	FY19 REQUEST	FY19 RECOMMENDATION
OTHER WELFARE/SOCIAL SERVICE					
53501	5608	SCOPE/Meals on Wheels	\$5,000	\$7,500	\$5,000
53501	5609	Piedmont Senior Resources	\$6,128	\$16,091	\$6,128
53501	5610	STEPS Inc.	\$20,000	\$20,000	\$20,000
53501	5612	Pamplin Community Center	\$0	\$0	\$0
53501	5613	Jolly Glee Senior Citizens	\$1,120	\$1,800	\$1,120
53501	5637	FACES	\$4,275	\$4,275	\$4,275
53501	5640	Special Olympics Area 12	\$1,000	\$1,000	\$1,000
53501	5645	VA Legal Aid Society	\$1,200	\$1,248	\$1,200
53501	5650	Tri-County Life Learners	\$2,400	\$2,400	\$2,400
53501	5651	Southside Center for Violence Prev	\$4,800	\$4,800	\$4,800
53501	5652	Heart of Virginia Free Clinic	\$6,000	\$7,000	\$6,000
53501	5653	Longwood Center for Visual Arts	\$2,000	\$2,000	\$2,000
53501	5654	Habitat for Humanity	\$3,200	\$3,200	\$3,200
CONTRIBUTIONS TO COLLEGES					
68100	5643	Longwood Small Bus Dev Center	\$6,750	\$6,750	\$6,750
PARKS & RECREATION					
71100	5640	PE/Farmville Youth Association	\$25,000	\$26,000	\$25,000
71100	5642	Heart of Virginia Festival	\$2,000	\$2,000	\$2,000
71100	5643	Southside VA Family YMCA	\$20,000	\$20,000	\$20,000
71100	5647	YMCA-Summer Program	\$10,000	\$10,000	\$10,000
71100	5649	Virso Recreation & Community Center	\$0	\$30,000	\$0
MUSEUMS					
72200	5641	Moton Museum	\$8,000	\$10,000	\$8,000
COMMUNITY DEVELOPMENT					
81200	5647	Chamber of Commerce	\$250	\$250	\$250
81200	5652	Piedmont Area Transit	\$8,000	\$8,000	\$8,000
81200	5655	Downtown Farmville	\$8,000	\$10,000	\$8,000
GRAND TOTAL			\$145,123	\$194,314	\$145,123

Enclosure (3)



County of Prince Edward
Board of Supervisors
Agenda Summary

Meeting Date: March 27, 2018
Item No.: 4
Department: County Administration
Staff Contact: W.W. Bartlett
Issue: Closed Session

Summary:

I move that the Prince Edward County Board of Supervisors convene in Closed Session:

- a) For consultation with legal counsel pertaining to the interpretation of the County Zoning Ordinance as it may apply to certain specific real properties in the County of Prince Edward, pursuant to the exemption provided for in Section 2.2-3711(A)(8) of the *Code of Virginia*; and

Attachments:

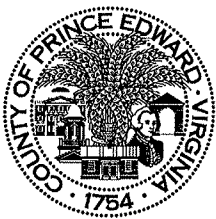
Recommendation:

Motion _____
Second _____

Cooper-Jones _____
Emert _____
Jones _____

Pride _____
Simpson _____
Timmons _____

Townsend _____
Wilck _____



**County of Prince Edward
Board of Supervisors
Agenda Summary**

Meeting Date: March 27, 2018
Item No.: 5
Department: County Administration
Staff Contact: W.W. Bartlett
Issue: Public Hearing – Lease of Property

Summary:

The Board of Supervisors of Prince Edward County will hold a public hearing on March 27, 2018 to solicit and receive comments concerning the two separate leases of Property commonly known as the STEPS CENTRE designated as Tax Parcel 023B-A-2. The first lease pertains to lease of approximately 5,800 sf of office space while the second lease pertains to approximately 12,714 sf of space currently housing the Shredding operation.

The leases have been reviewed by the County Attorney, follow the MOU agreed to by both parties and have been signed by both parties. The leases are not fully executed until the Board ratifies them after the public hearing. The actual commencement date will begin once the work on the building has been substantially completed and either a temporary or permanent occupancy permit is issued allowing the premises to be occupied.

Notice of the public hearing was published in the Farmville Herald on Friday, March 16, 2018.

- Attachments:**
1. Notice of Public Hearing
 2. Lease of Office Space
 3. Lease of Shred area

Recommendation:

Motion _____	Cooper-Jones _____	Pride _____	Townsend _____
Second _____	Emert _____	Simpson _____	Wilck _____
	Jones _____	Timmons _____	



March 14, 2018

Please publish the following public hearing notice in THE FARMVILLE HERALD on Friday, March 16, 2018.



Notice of Public Hearing

Pursuant to Va. Code § 15.2-1800, the Prince Edward County Board of Supervisors will hold a Public Hearing on Tuesday, Tuesday, March 27, 2018, at 7:30 p.m. in the Board of Supervisors Meeting Room, Prince Edward County Courthouse, 111, South Street, 3rd Floor, Farmville, VA. The purpose of the hearing is to solicit input and receive comments concerning the lease of property that is commonly known as The STEPS Centre, located at 56 SMI Way , Farmville, VA 23901 and designated as Tax Parcel #023B-A-2.

Questions regarding this hearing may be directed to the office of the Prince Edward County Administrator. It is the County's intent to comply with the Americans with Disabilities Act. Should you need special accommodations, please contact W. W. Bartlett, County Administrator at 434-392-8837.

LEASE AGREEMENT

THIS LEASE AGREEMENT, made this 26th day of February, 2018, by and between THE BOARD OF SUPERVISORS OF PRINCE EDWARD COUNTY, VIRGINIA, hereinafter called "Landlord" and STEPS, INC., a Virginia corporation, hereinafter called, "Tenant".

ARTICLE I

Landlord leases to Tenant and Tenant leases from Landlord the following space in the building currently known as the STEPS Building and to be remodeled substantially in accordance with plans, as modified to this date, on file in the County Administrator's office and available for inspection by Tenant, and located at Industrial Park Road in Prince Edward County, Virginia, consisting of 5,800 square feet of office space as shown on a drawing prepared by Crabtree Rohrbaugh & Associates and shown thereon as the area in the color green and attached hereto as Exhibit A.

The demised premises are leased together with the appurtenances, including the right to use in common with others the public entrances, and other public portions of the building. Landlord guarantees to Tenant the exclusive use of not less than thirty-seven parking places in the parking lot adjacent to the demised premises.

LEASEHOLD TERM

The term of this lease agreement shall be for a term of ten years, if the commencement date is not the first day of a month the term shall include the number of days to the last day of the month. The term shall begin on the commencement date and end, unless terminated sooner, on the last day of the month which includes the tenth anniversary of the commencement date. Tenant shall have the option to renew this lease agreement for two successive five year terms upon the same terms and conditions except that the rental rate shall be adjusted by the last published Municipal Cost Index but in no event shall the rental rate increase exceed ten percent. Notice of the intent to exercise the said options shall be made to Landlord in writing not less than six months prior to the expiration of this lease or any renewal thereof.

COMMENCEMENT OF TERM

The term of this lease and the payment of rent hereunder shall commence on the date the demised premises are substantially completed. The demised premises shall be deemed substantially completed when the following are done: Landlord procures either a temporary or permanent occupancy permit permitting occupancy of the demised premises for the purposes provided herein; Landlord puts in operating condition for Tenant's permitted use the building's service facilities and systems serving the demised premises, including the common areas of the building substantially completed and reasonably free of debris and construction materials so as to be reasonably usable for ingress and egress and Landlord cleans the demised premises and otherwise renders the demised premises in new and reasonably unblemished condition, excluding anything caused by Tenant or its agents, servants contractors or employees.

RENT

Tenant shall pay to Landlord annual rental of Thirty-Four Thousand Eight Hundred Dollars (\$34,800.00) payable in monthly installments of Two Thousand Nine Hundred Dollars (\$2,900.00). Said payment shall be made on the first day of each month, without notice or demand, commencing on the first day of the term and then each month thereafter during the term of this agreement. The annual rental is based upon square footage of 5,800 feet. Any increase in square footage will be rented at the annual rate of \$6.00 per square foot.

DAMAGE OR DESTRUCTION

If during the term of this lease, the leased premises are damaged by fire, flood, windstorm, strikes, riots, acts of public enemy, acts of God, or other casualty, so that the same are rendered wholly unfit for occupancy, and if said premises cannot be repaired within 180 days from the time of said damage, then this lease shall terminate as of the date of said damage. In such case Tenant shall pay the rent apportioned to the time of damage and shall immediately surrender the leased premises to Landlord who may enter upon and repossess the same and tenant shall be relieved from further liability hereunder.

If any damage by any of the above casualties, rendering the leased premises wholly unfit, can be repaired within 180 days thereafter, Landlord agrees to repair such damage promptly and this lease shall not be affected in any manner except that the rent shall be suspended and shall not accrue from the date of such damage until such repairs have been completed.

If said premises shall be partially damaged by any of the above casualties as to be partially unfit for occupancy, Landlord shall repair the premises promptly and during the period from the date of such damage until the repairs are completed, the rent shall be apportioned so that Tenant shall pay as rent an amount which bears the same ratio to the entire monthly rent as the portion of the premises which the Tenant is able to occupy without disturbance during such period bears to the entire premises. If the damage by any of the above casualties is so slight that Tenant is not disturbed in its possession and enjoyment of the premises, then Landlord shall repair the same promptly and in that case the rent accrued or accruing shall not abate.

INSURANCE

Landlord shall adequately insure the building and all public or common areas for fire, casualty, hazard and liability and shall maintain all public areas in a condition free from all physical and fire hazards. Tenant shall carry all other insurance on its leased premises, and contents, including, but not limited to fire, theft, breaking and entering, vandalism and public liability, and shall indemnify and save Landlord harmless against all liabilities, claims, demands, actions, costs and expenses of any kind and nature whatsoever, which may be sustained by Landlord by reason of any of the causes set forth in this paragraph, or by reason of Tenant's occupancy of the premises and Tenant shall carry Landlord as a co-insured under its insurance policies as referred to herein.

REPAIRS AND MAINTENANCE

Tenant shall take good care of the premises and fixtures therein located and, at the expiration, or earlier termination or cancellation of this lease or any renewal thereof, shall surrender the premises and fixtures in as good condition as at the time of delivery, subject to reasonable wear and tear.

All injury to the building or fixtures caused by moving any property of the Tenant, its agents, employees, independent contractors, licensees, invitees or visitors as well as any other damage due to neglect of the premises and/or fixtures located therein, may be repaired by landlord at the expense of Tenant and such cost of repair shall become due and payable upon delivery of a statement of such costs by Landlord to Tenant.

All other repairs, including all structural repairs to the premises, the exterior of the premises, and the common areas, if such repairs have not been necessitated by the act, fault, or negligence of tenant, or Tenant's agents, shall be the sole responsibility of Landlord.

In addition, all repairs performed by the Landlord shall be at a time and in a manner so as not to unreasonably interfere with Tenant's normal business operations. Landlord's failure to use all reasonable diligence in making repairs which are Landlord's responsibility under this lease, shall give Tenant the right to abate its rent by an amount proportionate to the inconvenience thereby caused Tenant.

SERVICES AND UTILITIES

Landlord agrees to furnish to the demised premises at its own expense the following: all necessary air conditioning, both heated and refrigerated, properly humidified and in such amounts as to maintain an even comfortable temperature at all applicable hours, water at all outlets, sewerage, and the common use with other tenants of all applicable common areas, stairways, halls and entrances. Tenant shall be responsible for telephone and internet charges.

If Landlord fails to provide such utility or service for any reason which is reasonably within Landlord's control, and such failure continues after notice to Landlord by Tenant, and a reasonable time for repairs has lapsed without any action by Landlord, Tenant shall have the option of abating its rental payment in an amount proportionate to its ability to fully utilize the premises.

CONDEMNATION

In the event the demised premises shall be acquired or condemned by any public or quasi-public authority under the power of condemnation, eminent domain or appropriation, the term of this lease shall cease and terminate as of the date of possession shall be taken by such authority and Tenant shall pay rent and other payments required hereby up to that date. If only a part of the demised premises shall be taken or acquired by such authority, then at Tenant's option this lease may be terminated in its entirety, or upon notice to Landlord, Tenant may remain in possession and the rent shall be abated in that proportion that the area so taken shall bear to the area of the demised premises as a whole immediately prior to such taking, and all promptly proceed to restore the remaining part not taken to a complete architectural unit.

COMMON AREAS AND PARKING

The Landlord agrees that Tenant and Tenant's customers, employees and /or visitors, shall have the right throughout the term of this lease to use, in common with others entitled to similar use, all of the interior common areas of the building of which the leased premises are a part, including all hallways, stairways, and doorways for ingress and egress from the leased premises, all parking spaces, streets, service drives and sidewalks for ingress and egress to and from the demised premises and the public streets and highways, and Landlord shall arrange and adequately maintain said interior common areas in usable condition throughout the term of this lease.

The Landlord shall pave, arrange and adequately maintain in good repair all exterior common areas and shall be responsible for snow removal and the maintenance of adequate lighting in the said parking areas of the building containing the leased premises.

QUIET ENJOYMENT

Upon payment by Tenant of all rent and other sums provided to be paid in this lease, and the observance and performance of all of the covenants, terms and conditions on Tenant's part to be observed and performed, Tenant shall have the peaceful and quiet use of the demised premises, and all rights granted hereby. Landlord reserves unto itself and its agents the right of entry to the demised premises for the purpose of making repairs, inspections and showing the premises to prospective tenants or purchasers. Landlord will provide reasonable notice to Tenant prior to any entry.

IMPROVEMENTS BY TENANT

Tenant shall have the right to make such alterations, additions or improvements in or to the demised premises as it shall consider necessary or desirable for the conduct of its business, provided that all such work shall be done in a good and workman like manner, using the same quality workmanship and materials as exist on the premises, and provided that the structural integrity of said building or premises shall not be impaired, and that no liens shall attach to the demised premises by reason thereof. Notice of such proposed alterations, additions or improvements shall be submitted in writing for Landlord's approval prior to any alteration, addition or improvement. Upon termination of this lease or any renewal thereof, such alterations, additions or improvements shall become the property of the Landlord, subject to the provisions of the paragraph concerning the removal, if required by Landlord, of fixtures, machines, equipment or items of a similar permanent nature, Tenant shall pay the entire cost of construction and installation of such alterations, additions or improvements.

FIXTURES, MACHINES, EQUIPMENT

Tenant shall have the right to install in or place on the demised premises such fixtures, machines, tools or other equipment and items, including but not limited to trade fixtures, lighting fixtures, semi-permanent interior partitions, water coolers and security safeguards surrounding the premises for protection against burglary and trespassing.

Such items shall at all times remain the personal property of Tenant regardless of the manner or degree of attachment thereof to the premises, and may be removed by tenant at any time, provided that the Tenant shall make restoration of the demised premises in the event any damage is done thereto by

the removal of any such property and the premises shall be restored to the same condition existing before such attachment.

LIABILITY/ INDEMNITY

Tenant shall be liable for any injury to or death of person or persons and for any loss of or damage to property of any kind, whether belonging to Landlord or the public, caused by the negligent acts or omissions of its agents, employees, or invitees or caused by Tenant's failure to perform property maintenance, repairs, and replacements required to be performed by it under this lease.

Tenant shall indemnify and save Landlord harmless against any and all liabilities, claims, demands, actions, costs and expenses which may be sustained by Landlord by reason of any of the causes set forth herein. Landlord shall be liable for any injury to or death of any persons and for any loss of or damage to property caused by the negligent acts or omissions of Landlord's agents, employees or invitees.

COMPLIANCE WITH REGULATIONS

Tenant agrees to strictly comply with and observe all pertinent laws, ordinances, statutes and regulations whatsoever of any governmental body or subdivision, incident to its occupancy of the premises and its use thereof. In addition, Tenant agrees not to use the premises in any manner which shall invalidate or be in conflict with fire insurance policies covering the building, or increase the rate of fire insurance on the building over that in effect at the commencement of this lease.

DEFAULT

If Tenant shall fail to pay any rent to Landlord when such rent is due and payable under the terms of this lease, and such default shall continue for a period of twenty days after written notice thereof has been given to tenant by Landlord, or if Tenant shall fail to perform any other duty or obligation imposed upon it by the terms of this lease, and such default shall continue for a period of thirty days after written notice of said default has been given to Tenant by Landlord, or if Tenant shall be adjudged bankrupt, or make a general assignment for the benefit of its creditors, or if a receiver of any property of Tenant in or upon the demised premises be appointed in any action, suit or proceeding by or against Tenant and such appointment shall not be vacated or annulled within sixty days, or if the interest of Tenant in the demised premises be sold under execution or other legal process, then and in any such event, Landlord shall have, in addition to any other rights and remedies to which it may be entitled, the right to enter upon the demised premises and again have and repossess and enjoy the same as if this lease had not been made and thereupon this lease shall terminate without prejudice, however, to the right of Landlord to recover from tenant all rent due under this lease. In the event of any such default and re-entry, Landlord shall have the right at its election to re-let the demised premises for the remainder of the then existing term whether such term be the initial term or any renewed or extended term, for the highest rent then obtainable and to recover from Tenant the difference between the rent reserved by this lease and the rent obtained through such re-letting less the costs and expenses reasonably incurred by Landlord in such re-letting.

DEFAULT BY LANDLORD

Landlord shall be deemed to be in default under this lease if it shall fail to provide the premises in the condition agreed free from interference with Tenant's use and enjoyment thereof, or all services within the standards agreed or any other obligations undertaken by landlord under this lease.

In case of Landlord's default. Tenant shall have each and all of the following remedies: Tenant shall have the option of cancelling this lease for any substantial default by Landlord. Such default shall include, but not be limited to, denying Tenant access for any reason other than Tenant's prior default, or failure to perform with all reasonable speed and efficiency any repair which is the obligation of Landlord under this lease.

In addition, if any default by Landlord is due to its failure to make necessary repairs with reasonable dispatch after notice from Tenant that such repair is needed, Tenant may cause the repairs to be made at its own expense. The reasonable expense of such repairs may then be deducted by Tenant from its next due rent. In addition, Tenant shall have the right to abate its rent proportionately when Landlord, for any cause reasonably within its control, is unable or unwilling to provide the premises in the agreed condition, free from interference or obstruction, or the services agreed.

SURRENDER OF PREMISES

Upon the expiration or other termination of this lease, or any renewals or extensions thereof, Tenant shall quit and surrender the premises to Landlord in good order and condition, ordinary wear and tear, acts of God, fire and other casualty, not resulting from Tenant's acts or omissions excepted. Tenant shall on the day of termination of this lease, or prior to such date, remove all property of tenant, and Tenant shall within two weeks after termination repair all damage to the demised premises caused by such removal and make reasonable restoration of the premises to the condition in which they were in prior to the installation of the property so removed.

SIGNS AND LOGOS

Tenant shall have no right to erect or install canopies, marquees or advertising devices, including signs, on the exterior of the building without prior consent of the Landlord.

ASSIGNMENT

Tenant shall not assign or sublet the demised premises or any part thereof without the prior written consent of landlord.

NOTICES

Any notice required or permitted by this lease to be given by either party to the other may be either personally delivered or sent by registered mail, postage prepaid, deposited and properly addressed, in the U. S. Post Office, the date of such depositing being taken as the date of giving such notice. All notices required by this lease, unless otherwise designated in writing shall be given to:

Tenant: STEPS, INC; 225 Industrial Park Road, Farmville, VA 23901

Landlord: Board of Supervisors, Prince Edward County, P.O. Box 382, Farmville, VA 23901

WAIVER

Any particular waiver of any covenant or condition of this lease shall extend to the particular instance only and in the manner specified, and shall not be construed as applying to or in any manner waiving any further or other covenants, conditions or rights hereunder.

ENTIRE AGREEMENT

This lease represents the entire understanding between the parties and there are no collateral or oral agreements or understandings, and this lease shall not be modified unless in writing or equal dignity signed by both parties.

BINDING EFFECT

It is agreed that all of the terms and conditions of this lease are binding upon the parties hereto, their administrators, and assigns, unless otherwise specified herein.

IN WITNESS WHEREOF, the parties have executed this lease on the 17th day of March, 2018.

BOARD OF SUPERVISORS OF PRINCE EDWARD COUNTY, VIRGINIA

By: Pattie Cooper-Jones (SEAL)
Pattie Cooper-Jones, Chairperson

STEPS, INC.

By: Wanda H Bass 02/26/2018 (SEAL)
Wanda Bass, Chairperson

LEASE AGREEMENT

THIS LEASE AGREEMENT, made this 26th day of February, 2018, by and between THE BOARD OF SUPERVISORS OF PRINCE EDWARD COUNTY, VIRGINIA, hereinafter called "Landlord" and STEPS, INC., a Virginia corporation, hereinafter called, "Tenant".

WITNESSETH:

WHEREAS, Landlord is the sole owner of the real estate known as the STEPS BUILDING located at 100 Industrial Park Road in Prince Edward County.

WHEREAS, Tenant desires to lease a portion of the premises for the purpose of conducting its business of shredding bulk paper;

NOW THEREFORE, in consideration of the mutual covenants contained herein, the parties hereby agree as follows:

DESCRIPTION OF THE PREMISES

Landlord agrees to lease and tenant agrees to rent that certain space containing 12,713.76 square feet, inclusive of the loading dock area, designated and outlined in blue on the attached floor plan, which is expressly made a part of this agreement, which space is hereinafter referred to as the "premises".

TERM OF LEASE

Tenant agrees to lease the above described premises for a period of ten years commencing on the _____ day of _____, 2018. At the end of the said ten years, tenant shall have the right to renew the lease for two consecutive five-year terms upon the same terms and conditions, unless thirty days prior to the expiration of such original lease period or an extension thereof, Tenant delivers to Landlord a written notice of its intention not to renew this lease.

CONDITION OF PREMISES

Tenant agrees to accept the premises in its current condition as of the date of this lease and Landlord shall be under no obligation to make improvements to the premises. Tenant may at any time during this lease, with prior written consent of Landlord, make alterations and additions to the premises at its own expense.

COMMENCEMENT OF TERM

The term of this lease and the payment of rent hereunder shall commence on the date the demised premises are substantially completed. The demised premises shall be deemed substantially completed when the following are done: Landlord procures either a temporary or permanent occupancy permit permitting occupancy of the demised premises for the purposes provided herein; Landlord puts in operating condition for Tenant's permitted use the building's service facilities and systems serving the demised premises, including the common areas of the building substantially completed and reasonably free of debris and construction materials so as to be reasonably usable for ingress and egress and Landlord cleans the demised premises and otherwise renders the demised premises in new and reasonably

unblemished condition, excluding anything caused by Tenant or its agents, servants contractors or employees.

RENT

Tenant agrees to pay to Landlord, without notice or demand, the sum of \$1.00 per year, payable in advance on the first day of the commencement of this lease and on each anniversary date thereafter for the lease of the demised premises.

USE OF PREMISES

The parties expressly agree that this lease is executed in order that Tenant may conduct the business of shredding paper and other materials upon the premises, and that the demised premises shall not be put to any other use without the prior written consent of Landlord.

SERVICES

During the term of this lease or any extension or renewal thereof, Tenant shall be responsible for providing heat, cooling, electricity water and sewerage to the demised premises. Landlord will provide water, electricity and heat to all common areas, adequate parking for tenant's employees and customers and will keep all common areas clean including removal of snow and ice. Landlord, at its expense, will have the demised premises separately metered for electricity.

ASSIGNMENT OR SUBLEASE

This lease may not be assigned or transferred, and the premises may not be sublet, either in whole or in part, by tenant without Landlord's prior written permission.

REPAIRS

Landlord hereby agrees that during the term of this lease, it shall, in the matter of keeping the building and demised premises in good repair, keep the exterior walls and roof in proper repair and maintain the common areas of the building. Tenant shall be responsible for all repairs in the demised premises including heating, cooling, electrical and plumbing systems.

RIGHT OF ENTRY TO REPAIR

Landlord reserves the right for itself, its agents and employees to enter upon the demised premises at any reasonable time to make repairs, alterations or improvements; provided, however, that such repairs, alterations or improvements shall not unreasonably interfere with tenant's business operations. Such right to enter shall also include the right to enter for the purpose of inspection or to show the property to prospective purchasers or tenants.

INSURANCE

Landlord shall maintain all public and common areas in a condition free from all physical and fire hazards. Landlord shall adequately insure the building and all public or common areas for fire, casualty,

hazard and liability. Tenant shall maintain the demised premises in a hazard free condition. Tenant shall be responsible for insuring its personal property and shall be responsible for liability within the demised premises and shall hold Landlord harmless for any claims, demands, actions, costs or expenses as a result of Tenant's negligence. Tenant shall name Landlord as an additional insured on all policies of insurance which cover the demised premises.

LIABILITY/ INDEMNITY

Tenant shall be liable for any injury to or death of person or persons and for any loss of or damage to property of any kind, whether belonging to Landlord or the public, caused by the negligent acts or omissions of its agents, employees, or invitees or caused by Tenant's failure to perform property maintenance, repairs, and replacements required to be performed by it under this lease.

Tenant shall indemnify and save Landlord harmless against any and all liabilities, claims, demands, actions, costs and expenses which may be sustained by Landlord by reason of any of the causes set forth herein. Landlord shall be liable for any injury to or death of any persons and for any loss of or damage to property caused by the negligent acts or omissions of Landlord's agents, employees or invitees.

BANKRUPTCY OR INSOLVENCY

It is expressly agreed that if at any time during the term of this lease or any renewal thereof, Tenant shall be adjudged bankrupt or insolvent by any Federal or State Court of competent jurisdiction, Landlord may, at its option, declare this lease to be terminated and cancelled, and may take possession of the demised premises. In the event the premises are sold, Tenant may elect to terminate this lease, but it shall not be required to do so.

DAMAGE OR DESTRUCTION

If during the term of this lease, the demised premises are destroyed by fire, natural causes or other casualty, or so damaged thereby that it cannot be repaired with reasonable diligence within 180 days, this lease shall terminate as of the date of such damage or destruction. However, if said premises can with reasonable diligence be repaired within 180 days, said premises shall be repaired by Landlord as quickly as is reasonably possible, and this lease shall remain in full force and effect, provided, however, rent shall be abated for any part of the premises which is rendered unfit for occupancy for the period that such unfitness continues.

SIGNS

Tenant may display signs and shingles advertising its place of business with the prior written consent of the Landlord, which consent shall not be unreasonably withheld.

ADDITIONAL SPACE

It is understood and agreed by the parties that, so long as space is available, Tenant may use a portion of the building for its annual Christmas Show and other events at no cost to Tenant and will allow storage space of not less than 1200 square feet at no cost to Tenant so long as it is available. Landlord will notify Tenant of any unavailability as soon as possible and will assist Tenant in finding a suitable space.

NOTICES

Any notice required or permitted by this lease to be given by either party to the other may be either personally delivered or sent by registered mail, postage prepaid, deposited and properly addressed, in the U. S. Post Office, the date of such depositing being taken as the date of giving such notice. All notices required by this lease, unless otherwise designated in writing shall be given to:

Landlord: Board of Supervisors, Prince Edward County, P.O. Box 382, Farmville, VA 23901

Tenant: STEPS, INC., 225 Industrial Park Road, Farmville, VA 23901

WAIVER

Any particular waiver of any covenant or condition of this lease shall extend to the particular instance only and in the manner specified, and shall not be construed as applying to or in any manner waiving any further covenant, condition or rights hereunder.

ENTIRE AGREEMENT

This lease represents the entire understanding between the parties and there are no collateral or oral agreements or understandings, and this lease shall not be modified unless in writing of equal dignity signed by the parties.

BINDING EFFECT

It is agreed that all of the terms and conditions of this lease are binding upon the parties hereto and their assigns, unless otherwise specified herein and further that should any dispute arise between the parties, said dispute shall be resolved in the Circuit Court of Prince Edward County, Virginia

IN WITNESS WHEREOF, the parties have executed this lease on the 7th day of March, 2018.

BOARD OF SUPERVISORS OF PRINCE EDWARD COUNTY, VIRGINIA

By: Pattie Cooper-Jones (SEAL)
Pattie Cooper-Jones, Chairperson

STEPS, INC.

By: Wanda Bass 02/26/2018 (SEAL)
Wanda Bass, Chairperson

