

Item 1. Purchase of the Williams property for the new Boones Creek School location closed on May 12. I reported to you last month, our intention to divide the property at closing into two parcels, one for the school site, and the other for the athletic facility/park. The school site, defined by BLS, ended up being 19.7 acres, and cost \$642,727. This parcel was deeded to the Washington County Board of Education at closing. Land for the athletic facility/park was 37.77 acres and cost \$1,232,273. This parcel was titled to Washington County Tennessee. Based on the most recent information from the School Board's Architect, Tony Street, he expects to receive the Boones Creek School Guaranteed Maximum Price from Burwil Construction by June 15th. At the June meeting, the County Commission will be asked to authorize the funding for construction, assuming the price is within the previously established funding limit. If approved in June, construction is expected to commence July 10 and be complete June 1, 2019.

Item 2. The CIA and Budget Committee's reviewed the first draft of an Intergovernmental Financing Agreement regarding the proposed Aerospace Park project. The agreement will establish the terms of investment in the project by Washington County, Sullivan County, Johnson City, Kingsport and Bristol, TN. The total investment required is projected to be around \$18 million, of which Washington County's pro rata share would be 22.5%, or \$4.05 million. A grant from the State is being pursued which could reduce the local investment by as much as half.

Local government cooperation and shared investment in this project offers the potential for creation of hundreds of high paying Aerospace Industry jobs with a substantial regional economic impact. At this point there appears to be broad support from across the region for the project. However, this agreement is the first version, of probably several, before we are ready to formally consider funding for this opportunity. Once we get to that point, I suggest we consider using the TVA impact fee the County will be receiving for the next 5 or so years, to fund this investment. TVA recently began paying Washington County an impact fee in the amount of \$559,493 to help offset the infrastructure and service costs associated with the repair project at Boone Dam. The County will receive this payment annually, but only for as long as repairs are ongoing. Even though this is not recurring revenue, there will be enough received over the next four years to provide the amount necessary for Washington County's share of the investment in Aerospace Park, if the State can be convinced to invest dollar for dollar with the local governments.

Please review the proposed agreement found under the CIA Committee section of this packet and let the CIA or Budget Committee's or myself, know of your questions or concerns. If work

on the project progresses as expected, we should have a final version of the agreement ready for Commission consideration by July or August.

Item 3. The Public Safety Committee reviewed a Proposed Process for Administering Paid Firefighters for all Participating Washington County Volunteer Fire Departments, along with an estimated cost to provide this enhanced level of service. The plan will provide county funding to reimburse the Volunteer Fire Departments for two paid staff in each station for a 12 hour day-time shift, Monday through Friday. This is the time frame when it is most difficult to man the stations with volunteers, due to their work schedules. As a result of having paid staff in the station, available to respond immediately to a call, dispatch times are expected to be dramatically reduced and ISO ratings should improve. It is also expected that offering volunteers the opportunity to periodically work paid shifts will increase VFD membership interest and help sustain the departments.

Please review the proposal found under the Public Safety Committee section of this packet and let the Public Safety Committee or myself, know of your questions or concerns. The Fire Chiefs will be meeting in the next couple of weeks for a final review of this plan. If recommended by the Public Safety Committee, the plan will be considered for inclusion in the proposed budget for FY2018 by the Budget Committee.

Item 4. Following this report you will find the “State of the County” address I gave to the Chamber of Commerce late last month. Please review and let me know if you have questions.

Respectfully submitted,

Dan Eldridge