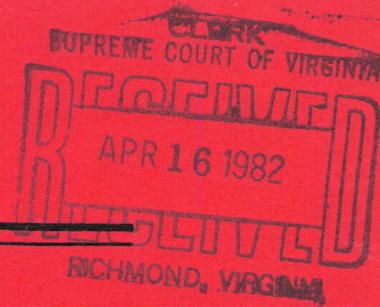


224 Va 62



IN THE

Supreme Court of Virginia

AT RICHMOND

RECORD NO. 812007

COUNTY OF ROCKINGHAM

Appellant

v.

CITY OF HARRISONBURG

Appellee

EXHIBIT VOLUME

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ANNEXATION PROCEEDINGS

CITY OF HARRISONBURG vs ROCKINGHAM COUNTY

TAXABLE VALUES, TAX RATES, AND TAX LEVIES FOR THE CITY OF HARRISONBURG¹

	1974	1975	1976	1977	1978	1979 ³	1980 ³	1981
Taxable Values								
Real Estate	\$46,883,470	\$75,095,670	\$77,023,450	\$78,731,830	\$ 81,198,430	\$261,334,410	\$269,622,500	\$358,508,350
Public Service Corp.	3,411,296	3,624,221	5,381,778	5,666,744	6,410,820	13,453,719	12,602,289	—
Tangible Personal Property	6,178,255	8,576,510	9,444,580	10,510,170	11,828,090	13,746,090	14,604,830	—
Machinery and Tools	1,669,635	2,196,020	2,260,010	2,042,830	1,975,850	2,330,360	3,014,950	—
Total	\$58,142,656	\$89,492,421	\$94,109,818	\$96,951,574	\$101,413,190	\$290,864,579	\$299,844,569	—
Tax Rates (Per \$100 of Assessment)								
Real Estate	\$2.50	\$2.00	\$2.00	\$2.00	\$2.00	\$0.65	\$0.65	
Public Service Corp. ¹	2.50	2.03	2.02	2.02	2.01	0.75	0.75	
Tangible Personal Property	2.65	2.65	2.65	2.65	2.65	2.65	2.65	
Machinery and Tools	2.65	2.65	2.65	2.65	2.65	2.65	2.65	
Tax Levies								
Real Estate	\$ 1,172,087	\$ 1,501,913	\$ 1,540,469	\$ 1,574,637	\$ 1,623,968	\$ 1,698,879	\$ 1,752,557	
Public Service Corp.	85,527	73,627	108,905	114,274	129,088	100,574	93,706	
Tangible Personal Property	163,731	227,290	250,294	278,530	313,456	366,770	387,040	
Machinery and Tools	44,134	58,195	58,890	54,135	52,360	61,755	79,896	
Total	\$ 1,465,479	\$ 1,861,025	\$ 1,958,558	\$ 2,021,576	\$ 2,118,872	\$ 2,227,978	\$ 2,313,199	

Notes:

¹ Calculated, based on assessed values and levies.

² Other from State Department of Taxation, Richmond, Virginia, unless otherwise indicated.

³ From Commissioner of Revenue, City of Harrisonburg, Virginia.

1917

CITY OF HARRISONBURG EXHIBIT NO.

6

ANNEXATION PROCEEDINGS

CITY OF HARRISONBURG vs ROCKINGHAM COUNTY

TAXABLE VALUES, TAX RATES, AND TAX LEVIES FOR ROCKINGHAM COUNTY¹

	1974	1975	1976	1977	1978	1979 ²	1980 ²
Taxable Values							
Real Estate ³	\$ 90,223,280	\$104,570,260	\$109,639,419	\$114,260,980	\$823,854,280	\$850,588,900	\$ 875,316,540
Public Service Corp.	7,610,842	9,195,692	7,859,925	7,953,793	38,083,654	41,762,243	48,507,283
Tangible Personal Property	17,453,260	27,800,341	32,034,670	34,725,350	39,360,408	41,174,940	45,994,360
Machinery and Tools	3,224,710	3,864,150	4,613,700	6,186,680	7,683,497	8,425,990	10,077,250
Merchants' Capital	5,470,332	7,559,151	7,944,481	9,476,774	12,213,825	14,783,255	18,638,010
Mobile Homes ⁴	—	—	—	2,805,410	10,083,530	11,499,850	11,667,930
Total	\$123,982,424	\$152,789,594	\$162,092,195	\$175,408,987	\$929,279,194	\$968,235,178	\$1,010,201,373
Tax Rates (Per \$100 of Assessment)							
Real Estate	\$2.70	\$2.70	\$3.00	\$3.00	\$0.48 ⁵	\$0.46	\$0.52
Public Service Corp. ⁶	2.70	4.50	3.00	3.00	0.69	0.63	0.63
Tangible Personal Property	2.70	2.70	3.00	3.00	3.00	3.00	3.50
Machinery and Tools	2.70	2.70	3.00	3.00	3.00	3.00	3.50
Merchants' Capital	1.00	1.00	1.00	1.00	1.00	1.00	1.17
Mobile Homes ⁴				3.00	0.48	0.46	0.52
Tax Levies							
Real Estate	\$ 2,436,029	\$ 2,823,397	\$ 3,289,183	\$ 3,427,829	\$ 3,954,498	\$ 3,908,941	\$ 4,551,646
Public Service Corp.	205,483	248,284	235,798	238,614	249,977	261,129	308,000
Tangible Personal Property	471,238	745,209	981,040	1,041,761	1,181,291	1,235,248	1,609,802
Machinery and Tools	87,067	104,332	138,411	185,600	230,505	247,753	352,704
Merchants' Capital	54,703	75,592	79,445	94,768	122,138	140,780	218,064
Mobile Homes ⁴	—	—	—	84,162	48,401	52,899	60,673
Total	\$ 3,254,530	\$ 3,996,814	\$ 4,703,877	\$ 5,072,734	\$ 5,786,810	\$ 5,846,750	\$ 7,100,889

Notes:

¹ Other from State Department of Taxation, Richmond, Virginia, unless otherwise indicated.

² From Commissioner of Revenue, Rockingham County, Virginia

³ 1974 through 1978 are appraised assessed values. 1979 real estate values are assessed values less the land use reduction value or taxable values.

⁴ Mobile homes became a separate taxable entity in 1977. It is assessed as personal property but at the real estate tax rate. These values were obtained from the Rockingham County Commissioner of Revenue's office.

⁵ Based on 100% Assessment.

⁶ Calculated, based on assessed values and levies.

ANNEXATION PROCEEDINGS

CITY OF HARRISONBURG vs ROCKINGHAM COUNTY

ANALYSIS OF ASSESSED VALUE

	1980 Assessed Values*	
	Area Sought To Be Annexed	County Total
Real Estate	\$120,380,601	\$ 875,316,540
Personal Property	6,635,101	45,994,360
Machinery and Tools	3,116,620	10,077,250
Merchants' Capital	8,213,327	18,638,010
Mobile Homes	1,586,620	11,667,930
Public Service Corporations		
Real Estate	2,568,143	48,256,239
Personal Property	13,424	251,044
Total	\$142,513,836	\$1,010,201,373

*1980 Data from Rockingham County Commissioner of Revenue.

ANNEXATION PROCEEDINGS

CITY OF HARRISONBURG vs ROCKINGHAM COUNTY

ASSESSMENT RATIOS, TAX RATES, AND EFFECTIVE TRUE TAX RATES

	City of Harrisonburg	County of Rockingham	Weighted Average For all Cities and Counties
Ratio of Assessed Values to True Values of Real Estate ¹			
1974	24.5%	15.0%	27.9%
1975	35.4%	14.6%	30.5%
1976	32.5%	13.6%	31.0%
1977	30.2%	12.9%	55.6%
1978	25.7%	84.3%	64.3%
1979 ³	100 %	100 %	—
1980 ⁴	100 %	100 %	—
Nominal Tax Rate on all Categories of Property (Per \$100 of Assessed Value) ²			
1974	\$2.50	\$2.70	\$3.12
1975	2.00	2.70	2.95
1976	2.00	3.00	3.03
1977	2.00	3.00	1.71
1978	2.00	0.48	1.40
1979 ³	0.65	0.46	—
1980 ⁴	0.65	0.52	—
Effective True Tax Rate on All Categories of Property (Per \$100 of Assessed Value)			
1974	\$0.61	\$0.41	\$0.87
1975	0.71	0.39	0.90
1976	0.65	0.41	0.94
1977	0.60	0.39	0.95
1978	0.51	0.40	0.90
1979 ³	0.65	0.46	—
1980 ⁴	0.65	0.52	—

Notes:

¹ Values obtained from pamphlets prepared by State Department of Taxation.

² Tax Rates obtained from pamphlets prepared by State Department of Taxation.

³ Obtained from locality.

⁴ Obtained from locality.

ANNEXATION PROCEEDINGS

CITY OF HARRISONBURG vs ROCKINGHAM COUNTY

COMPARATIVE ANNUAL COSTS FOR A TYPICAL HOUSEHOLD

	A	B	C	D	E	F	G	H
	City of Harrisonburg	Subtotals of Col. A	Park View Subdivision	Subtotals of Col. C	Fairway Hills Subdivision	Subtotals of Col. E	Ashby Heights Subdivision	Subtotals of Col. G
Taxes:								
Real Estate —								
Market Value	\$50,000.00		\$50,000.00		\$50,000.00		\$50,000.00	
Assessed Value	45,000.00		45,000.00		45,000.00		45,000.00	
Tax Rate	0.65		0.52		0.52		0.52	
Tax Levy		\$ 292.50		\$ 234.00		\$ 234.00		\$ 234.00
Personal Property								
Market Value	7,800.00		7,800.00		7,800.00		7,800.00	
Assessed Value	3,900.00		3,120.00		3,120.00		3,120.00	
Tax Rate	2.65		3.50		3.50		3.50	
Tax Levy		103.35		109.20		109.20		109.20
Local License Decals:								
Automobiles	10.00		15.00		15.00		15.00	
Bicycle	1.00	11.00	—	15.00	—	15.00	—	15.00
Utility Taxes:								
Electric	12.00		18.00		18.00		18.00	
Telephone	12.00		18.00		18.00		18.00	
Water	10.37 ¹		18.00 ²		5.18		18.00 ³	
Sewer	0	34.37	0	54.00	5.18	46.36	0	54.00
Charges:								
Water (9,000 gal./mo.)	103.68		166.32		207.36		121.20	
Sewer	162.00		274.44		265.68		135.00	
Trash	36.00	301.68	Est. 72.00	512.76	Est. 72.00	546.04	Est. 72.00	328.20
Miscellaneous:								
Homeowners Insurance	148.00		157.00		157.00		157.00	
Recreation Center Fees	2.00	150.00	10.00	167.00	10.00	167.00	10.00	167.00
Electricity: (1,500 kWh/Mo.)								
HEC		902.40		902.40				
SVEC						832.56		832.56
VEPCO				985.64*				
Totals		\$1,795.30		\$1,994.36		\$1,949.16		\$1,739.96
Totals with VEPCO				\$2,077.60*				

¹ Total for Water and Sewer

² Includes Street Light and Utility Tax

³ Estimated \$1.50/month.

*Portions of Park View area are served by VEPCO.

ANNEXATION PROCEEDINGS

CITY OF HARRISONBURG vs ROCKINGHAM COUNTY

EXISTING LAND USE IN THE CITY OF HARRISONBURG, VIRGINIA

Category	Acres	% of Total
Single Family	942.2	24.6
Two- and Multi-Family	262.1	6.8
Mobile Homes	0	0
Commercial	257.9	6.8
Public and Semipublic	619.3	16.2
Light Industry	181.7	4.8
Heavy Industry	135.8	3.5
Highways, Streets, and Roads	530.5	13.9
Railroads	58.4	1.5
Vacant	839.3	21.9
Total	3,827.2	100

Source: City Planning Department, January 1981.

ANNEXATION PROCEEDINGS

CITY OF HARRISONBURG vs ROCKINGHAM COUNTY

ANALYSIS OF VACANT LAND CITY OF HARRISONBURG

Vacant Land Type	Acres	Percent of Total City Land Area
Gross Vacant Land	839.3	21.9%
Less:		
Flood Plains	55.2	1.4%
Rock Outcrop	77.1	2.0%
Excessive Slopes (Greater than 15%)	19.2	0.5%
Sinkhole	190.7	5.0%
Net Vacant Land	497.1	13.0%

Source: City Planning Department, January 1981.

ANNEXATION PROCEEDINGS

CITY OF HARRISONBURG vs ROCKINGHAM COUNTY

EXCERPTS FROM 1976 PROPOSED ROCKINGHAM COUNTY LAND USE PLAN

"In generalizations, it can be said that the county is in the school business, the towns in the water and sewer business, and the city in a complete urban services business. The reason for such a difference in services is understandable. Whereas, the city is an urban area of only 5.9 square miles (2,500 persons per square mile), the county is primarily rural with 865 square miles (64 persons per square mile). Given the area and low density in the county, urban-type services are not as feasible or efficient as in the city."

(Volume I, Existing Conditions, pages 23-24.)

"The survey of government officials also revealed the opinion that the current form of county government is not suitable for the urbanizing pressures developing within the county. The part-time Board of Supervisors form of government with a chief executive position having limited authority, and elected Commissioner of Revenue, and Treasurer does not lend itself to sound management and fiscal control. The modern day complexities of government more and more are demanding professional department administrators under the control of a strong chief executive. The elected officials should be primarily a policy making and budget approving body rather than part-time administrators. It was suggested that a referendum should be held to change the governmental structures to a County Manager form."

(Volume I, Existing Conditions, pages 38-39.)

"LAND USE ALTERNATIVES

As explained in the section on population projections, the Land Use Plan for Rockingham County will be based on a year 2000 population of 137,300 for the city-county area. This means an increase of 65,600 persons and related land needs during the next 25 years. The objective of this section is to evaluate the alternative growth concepts available to the county and to help the citizens of Rockingham County decide which growth plan they want to pursue.

ALTERNATIVE GROWTH CONCEPTS

There are four basic directions future growth can take in Rockingham County. These are: 1) a continuation of the past trend of scattered growth; 2) guiding growth in numerous small rural communities; 3) guiding growth in and around the municipalities of the county; and 4) guiding growth within a planned, unincorporated community in the county. The final Land Use Plan for Rockingham County could be a combination of these four growth concepts."

• • •

Sheet 1 of 2

ANNEXATION PROCEEDINGS

CITY OF HARRISONBURG vs ROCKINGHAM COUNTY

EXCERPTS FROM 1976 PROPOSED ROCKINGHAM COUNTY LAND USE PLAN (Continued)

"Alternative 3 — Municipal Growth Centers

Under this alternative the county would guide growth within and around the city and towns of the area . . . Growth would be accommodated on municipal water and sewer systems. Higher densities permitted would result in less farmland converted to urban use. The opportunity would be greatest for development of balanced communities where people could live, work and shop within their own community. Commuting travel and related energy consumption and air pollution would be lessened. The opportunity for larger scaled, planned neighborhoods would be greatest.

Under the municipal growth center concept, maximum conservation of the countryside could be achieved. Likewise, maximum opportunity for well-planned, viable community development would be realized. This alternative would require cooperative effort of the county, city and towns. The problems of intergovernmental cooperation would be critical and much of the planning efforts would be aimed at resolving these conflicts."

• • •

"Land Held in Conservation

Conservation of the mountain areas would be very desirable for protecting the land and water resources of the county. This objective would be maximized in alternative 3 where all steep slopes and mountain areas would be restricted from development. Due to the development of Massanutten foothills, alternative 4 would result in slightly less conservation of forested land. Alternative 1 is the least desirable for conservation.

Preservation of the Countryside

Preservation of the countryside relates directly to the volume of scattered development. The countryside would be protected most from planned community development and least from the scattered development of alternative 1.

Efficiency of Public Service

The pattern and density of development greatly influences the cost of public services such as roads, schools, water, sewer, waste collection, drainage, fire and police protection. Low density scattered growth increases the costs of these services and higher density, planned community growth lowers the costs. While urban community development requires additional public investment in water and sewer systems, these systems should be amortized through user fees.

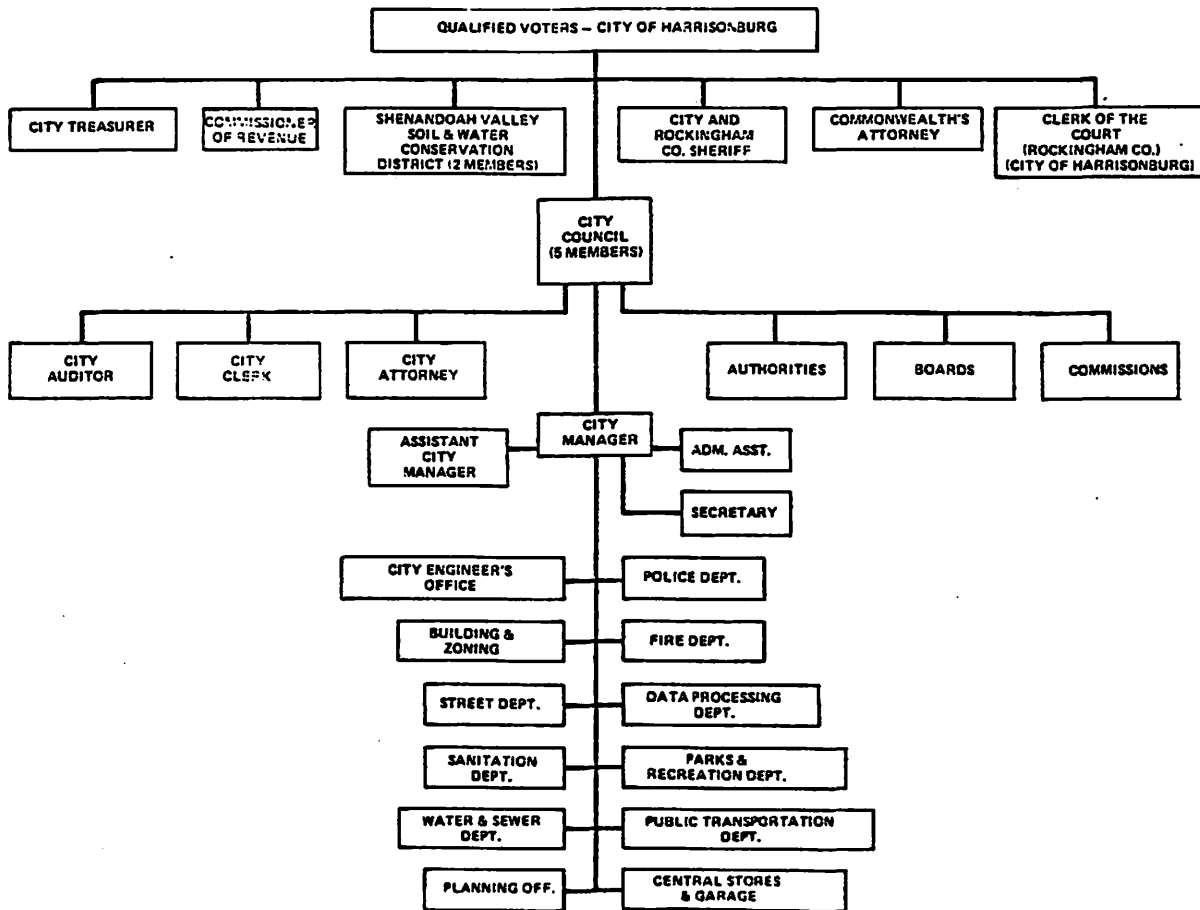
The scattered development pattern under alternative 1 would be most costly for provision of services followed by the rural communities of alternative 2. The most efficient pattern would be alternative 3 where existing municipal services and systems would be expanded to accommodate growth. Alternative 4 would be slightly less efficient than 3, since it would require the county to initiate a complete range of urban services."

(Volume II, Trends, Issues & Alternatives, pages 91, 95, 106-107.)

ANNEXATION PROCEEDINGS

CITY OF HARRISONBURG vs ROCKINGHAM COUNTY

ORGANIZATIONAL CHART
CITY OF HARRISONBURG



ANNEXATION PROCEEDINGS

CITY OF HARRISONBURG vs ROCKINGHAM COUNTY

EXISTING AND PROPOSED POSITION ALLOCATIONS

Department	Existing	To Be Added	Proposed
Clerk of Council	1 (P/T)	1 (P/T)	2 (P/T)
City Manager	3	0	3
City Attorney	1 (P/T)	0	1 (P/T)
Auditor	5	0	5
Commissioner of the Revenue	5	2	7
Treasurer	4 2 (P/T)	1 0 (P/T)	5 2 (P/T)
Data Processing	5	0	5
Purchasing Agent	2	1	3
Police Department	46	6	52
Fire Department	16 4 (P/T)	15	31 4 (P/T)
Building Inspection	5 0	2 1 (P/T)	7 1 (P/T)
Public Works	56 11 (P/T)	15 5 (P/T)	71 16 (P/T)
Public Buildings	1 2 (P/T)	1	2 2 (P/T)
Recreation Department	27 38 (P/T)	6 10 (P/T)	33 48 (P/T)
Planning Commission	2	1	3
Water and Sewer Departments	31	5	36
Social Services	15 1 (P/T)	3 1 (P/T)	18 2 (P/T)
Central Garage	8	3	11
Central Stores	2	0	2
Public Transportation	16 17 (P/T)	4 0	20 17 (P/T)
City Engineer	3	2	5
<hr/>			
GENERAL GOVERNMENT			
TOTAL – FULL TIME	252	67	319
TOTAL – PART TIME (P/T)	77	18	95
 SCHOOLS			
TOTAL – FULL TIME	270	42	312
 GRAND TOTALS			
TOTAL – FULL TIME	522	109	631
TOTAL – PART TIME	77	18	95

ANNEXATION PROCEEDINGS

CITY OF HARRISONBURG vs ROCKINGHAM COUNTY

HIGHWAY, STREET, AND ROAD MILEAGE IN THE AREA PROPOSED FOR ANNEXATION

Classification	Miles of Roads
Interstate	7.94
Primary (U.S. & Virginia)	
No Improvements Proposed	4.35
Improvements Proposed	3.06
Secondary	
No Improvements Proposed	22.73
Improvements Proposed	8.61
Others	
Roads Not Presently in the Secondary System to be Maintained by City at Existing Standards	1.59
Roads Not Presently in the Secondary System to be Improved	0.61
New Roads Under Construction	0.42

ANNEXATION PROCEEDINGS

CITY OF HARRISONBURG vs ROCKINGHAM COUNTY

EXISTING AND PROPOSED STREET LIGHTS

Location and Size	Number
Existing Lights in City of Harrisonburg	
4,000 Lumen	4
4,800 Lumen	46
6,000 Lumen	3
7,000 Lumen	780
8,000 Lumen	19
11,000 Lumen	12
20,000 Lumen	562
42,000 Lumen	27
53,000 Lumen	6
Total Existing	1,459
Proposed Lights in Annexation Area (First 3 years)	
7,000 Lumen	187*
20,000 Lumen	582
Total Proposed	769
Total Enlarged City	2,228

*Including those 93 lights presently provided by the Park View Sanitary District

ANNEXATION PROCEEDINGS

CITY OF HARRISONBURG vs ROCKINGHAM COUNTY

PROPOSED ROAD AND STREET IMPROVEMENTS

Street or Road	Section		Length	Estimated Cost			Construction Priority
	From	To		Const. (5%)	ROW (10%)	Total	
Route 11	Existing S.C.L.	I-81 Int.	1.06 miles			\$ 50,000	1 (1-4)
Circle Drive	W.C.L.	W.C.L.	0.81 miles			145,000	1 (1-4)
Route 710	Existing E.C.L.	Proposed E.C.L.	1.00 mile			300,000	1 (1-4)
					Subtotal	\$ 495,000	
Route 710	1 mile east of E.C.L.	Proposed E.C.L.	0.50 mile			160,000	2 (4-7)
Chicago Avenue	Existing W.C.L.	Proposed W.C.L.	0.68 mile			30,000	2 (4-7)
Westmoreland Drive	Route 659	Existing C&G	0.38 mile			69,000	2 (4-7)
Route 710	Route 679	Proposed W.C.L.	1.06 miles			36,000	2 (4-7)
Nelson Drive	Route 659	End	0.30 mile			59,000	2 (4-7)
Route 704	Route 33	Proposed E.C.L.	0.60 mile			60,000	2 (4-7)
Route 711	Route 710	Paved Area near I-81	0.81 mile			100,000	2 (4-7)
Route 1108	Route 726	End of Road	0.20 mile			42,000	2 (4-7)
					Subtotal	\$ 556,000	
Route 42	Existing N.C.L.	Route 1124	0.32 mile	\$10,000	\$17,000	27,000	3 (7-10)
Route 42	Route 1124	Proposed N.C.L.	0.68 mile	27,000	37,000	64,000	3 (7-10)
Route 726	Huffman Street	Proposed N.C.L.	1.00 mile			35,000	3 (7-10)
Route 33	Existing W.C.L.	Proposed W.C.L.	1.00 mile			50,000	3 (7-10)
Route 910	Route 33	Route 42	2.08 mile			428,000	3 (7-10)
					Subtotal	\$ 604,000	
					GRAND TOTAL	\$1,655,000	

1930

CITY OF HARRISONBURG EXHIBIT NO.

23

ANNEXATION PROCEEDINGS

CITY OF HARRISONBURG vs ROCKINGHAM COUNTY

CITY OF HARRISONBURG, VIRGINIA ANALYSIS OF ANNUAL STATE HIGHWAY MAINTENANCE FUNDS RECEIVED BY HARRISONBURG AND OFFSETTING CAPITAL, OPERATING, AND MAINTENANCE EXPENDITURES BY THE CITY

	1975-76	1976-77	1977-78	1978-79	1979-80
1. Capital Improvements					
Resurfacing — Linear Feet	11,585	12,310	8,580	7,750	11,075
Storm Drains — Linear Feet	3,163	400	730	330	1,010
Curb & Gutter — Linear Feet	8,210	7,971	5,030	5,862	5,470
Concrete Sidewalks — Linear Feet	1,280	250	1,610	2,220	2,040
2. Expenditures, Encumbrances, and Transfers					
Department of Public Works:					
Street Inspection and Maintenance	\$443,956	\$ 347,822	\$384,464	\$ 400,477	\$417,011
Street Lighting	108,613	111,426	125,781	143,238	166,732
Street Beautification	13,983	13,218	16,429	23,698	28,423
Street Cleaning	37,955	48,281	69,065	65,859	71,725
Traffic Engineering	24,883	26,897	28,898	34,007	37,534
Total	\$627,390	\$ 547,644	\$624,637	\$ 667,279	\$721,425
3. Capital Outlay					
Department of Public Works:					
Street Inspection and Maintenance	\$224,646	\$ 580,202	\$206,315	\$ 334,319	\$233,911
Street Beautification	3,145	3,997	3,151	4,228	3,799
Total	\$227,791	\$ 584,199	\$209,466	\$ 338,547	\$237,710
GRAND TOTAL CITY EXPENDITURE*	\$855,181	\$1,131,843	\$834,103	\$1,005,826	\$859,135
4. Revenues and Transfers					
Revenue from Agencies: (VDH&T)	\$226,845	\$ 229,410	\$229,410	\$ 232,113	\$358,663
NET CITY EXPENDITURE —					
ROADS AND STREETS	\$628,336	\$ 902,433	\$604,693	\$ 773,713	\$600,472

*The following departments are included:

Traffic Engineering
Street Inspection, Repairs, and Maintenance
Street Lighting
Highway and Street Beautification
Street Cleaning

Source: City Records.

ANNEXATION PROCEEDINGS

CITY OF HARRISONBURG vs ROCKINGHAM COUNTY

PROPOSED SCHOOL PLAN

A. ASSUMPTIONS:

1. County retains Pleasant Valley Elementary School.
2. Initially, the City will alter its grade structure from K-6, 7-8, & 9-12 to K-7 & 8-12.
3. City to immediately add additional classrooms at existing elementary schools where basic facilities such as libraries, cafeterias, and gymnasiums are already sized for 600 capacity.
4. City purchases a site, prepares plans, and constructs a new 700-pupil Junior High School for occupancy within 6 years of the effective date of annexation, at which time the City returns to the grade structure of K-6, 7-8, & 9-12.
5. City provides transportation to school students.

B. SCHOOL DATA FOR ANNEXATION AREA:

1. Total 1980 School Age Population	873
2. 1980-81 Estimated School Average Daily Membership (Excluding Students for which County Paid Tuition)	
a. Elementary — Grades K-7	319
b. High Schools — Grades 8-12	174
c. Total	493*
3. 1980-81 Estimated School Average Daily Membership (Including Students for which County Paid Tuition)	
a. Elementary — Grades K-7	351
b. High School — Grades 8-12	174
c. Total	525

C. ASSIGNMENT OF PUPILS WITHIN EXISTING CITY:

1.	Elementary				
	School	Grades	Present Capacity	Present Enrollment	Unused Capacity
	Spotswood	K-6	400	387	+13
	Keister	K-6	400	381	+19
	Waterman	K-6	400	403	-(3)
	Totals		1,200	1,171	+29
2.	Intermediates:				
	Thomas Harrison	7-8	400	385	+15
3.	High School:				
	Harrisonburg	9-12	800	760	+40
4.	Grand Totals				
			2,400	2,316	+84

D. ASSIGNMENT OF PUPILS FOR ENLARGED CITY:

1.	Elementary									
	School	Grades	Additional Classrooms	New Capacity	Present Enrollment K-6	7th Grade from T. Harrison	Grades 1-6 from A. Seeger (City only)	Annexation Area Membership (including A. Seeger)	Total Enlarged City Enrollments	Unused Capacity
	Spotswood	K-7	8	600	387	65	21	122	595	+5
	Keister	K-7	8	600	381	65	38	112	596	+4
	Waterman	K-7	8	600	403	65	10	117	595	+5
	Totals		24	1,800	1,171	195	69	351*	1,786*	+14*
2.	High School:									
		Grades		Capacity	Present Enrollment 9-12	8th Grade from T. Harrison		Annexation Area Membership	Total Enlarged City Enrollments	Unused Capacity
	Thomas Harrison & Harrisonburg High School (combined)	8-12		1,200	760	190		174	1,124	+76
3.	Grand Totals			3,000	2,316		69	525	2,910	+90

ANNEXATION PROCEEDINGS

CITY OF HARRISONBURG vs ROCKINGHAM COUNTY

PROPOSED SCHOOL PLAN

(Continued)

E. CAPITAL OUTLAYS:

1.	Transportation — 11 buses	\$ 198,000
2.	Elementary classrooms (including furniture and equipment) — 24	1,600,000
3.	Purchase of site for new Junior High School and A/E Planning	565,000
4.	Subtotal	\$2,383,000
5.	New Junior High School (including furniture and equipment)	3,000,000
6.	Grand Total	\$5,383,000

*Includes one Special Ed student.

Sheet 2 of 2

ANNEXATION PROCEEDINGS

CITY OF HARRISONBURG vs ROCKINGHAM COUNTY

CITY OF HARRISONBURG ESTIMATED EQUIPMENT CAPITAL OUTLAYS FOR PROPOSED ANNEXATION AREA

<u>I. OPERATIONS</u>			
Department	Project Description		Capital Expenditure
1. Public Works	A. Equipment for: Refuse collection, street cleaning, snow removal, street maintenance, street inspections, central stores, etc.	\$245,885	
	B. Increase sign inventory and new street signs	<u>7,000</u>	
	C. Total Public Works		\$252,885
2. Police	A. Three automobiles, patrol cars	\$ 18,000	
	B. Equipment for three patrol cars	10,500	
	C. Equipment for six patrolmen	<u>6,000</u>	
	D. Total Police		\$ 34,500
3. Fire	A. Supplies and Materials	\$ 6,050	
	B. Equipment	38,000	
	C. Equipment Maintenance and Replacement	<u>2,350</u>	
	D. Total Fire		\$ 46,400
4. Parks, Beautification and Recreation	A. Supplies and Equipment		\$ 18,600
5. Public Transportation Department	A. Three (3) 29-passenger buses	\$ 8,000*	
	B. Materials	<u>28,000</u>	
	C. Total Public Transportation		\$ 32,000
6. Social Services Department	A. Equipment		\$ 3,000
7. Bureau of Engineering	A. Equipment		\$ 10,000
8. Building Inspections & Zoning Administration	A. Vehicle	\$ 10,300	
	B. Radio Equipment	450	
	C. Total	<u></u>	\$ 10,750
9. Planning Commission	A. Materials		\$ 400
10. Water & Sewer Department	A. Water		
	(1) Equipment	\$ 13,000	
	(2) Materials	26,000	
	B. Sewer		
	(1) Equipment	13,000	
	(2) Materials	<u>34,000</u>	
	C. Total Water and Sewer		\$ 86,000
Total Operations Departments			\$494,535

*Local cost.

Sheet 1 of 2

1934

CITY OF HARRISONBURG EXHIBIT NO.

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ANNEXATION PROCEEDINGS

CITY OF HARRISONBURG vs ROCKINGHAM COUNTY

CITY OF HARRISONBURG ESTIMATED EQUIPMENT CAPITAL OUTLAYS FOR PROPOSED ANNEXATION AREA (Continued)

<u>II. ADMINISTRATION</u>		
Department	Project Description	Capital Expenditure
1. Data Processing	A. Computer Hardware	\$ 8,000
	B. Supplies and Maintenance	3,000
2. Treasurer's Office	Office Equipment	\$ 10,000
3. Commissioner of Revenue	Equipment	\$ 1,200
4. City Council – City Manager	Purchasing Agent Vehicle	<u>\$ 7,000</u>
Total Administration		\$ 29,200
GRAND TOTAL		
I. Operations		\$494,535
II. Administration		<u>29,200</u>
		\$523,735

ANNEXATION PROCEEDINGS

CITY OF HARRISONBURG vs ROCKINGHAM COUNTY

GENERAL DESCRIPTION CITY OF HARRISONBURG WATER SYSTEM

SOURCES OF SUPPLY

Dry River

The primary water supply for Harrisonburg is located approximately 13 miles west of the city on Dry River just above Rawley Springs. This facility consists of an underground dam across the Dry River Valley to capture groundwater flow and a low, gravity section, concrete dam across the main channel of Dry River. Also located at the Dry River supply site are provisions for screening the water, a small settling basin, a chlorinator station, and a Calgon chemical feeder.

The Dry River reservoir has a steep rocky 56 square mile drainage area which yields an average flow, neglecting groundwater, of approximately 31 million gallons per day. The all time minimum flow which occurred during the 1930-31 drought is estimated to have been between 0.5 and 0.7 million gallons per day, including ground and surface water. It is estimated that the flow during the average low year will not drop below 1 million gallons per day.

Dry River at Rawley Springs is an excellent supply as to quality. The water is very clear with almost no color, not subject to turbidity, and has a hardness of only 6 to 8 parts per million, indicating a very soft water. The only objectionable quality of Dry River water is its corrosiveness resulting from low alkalinity and a high dissolved oxygen content. The pH of Dry River water at Rawley Springs is normally about 6.3. A pH of 7 indicates a neutral water; below 7 acidic, and above 7 alkaline.

Silver Lake

Harrisonburg owns an emergency water supply that supplements Dry River in periods of low flow. This supply is Silver Lake, a limestone spring yielding approximately 3,000 gallons per minute, about 4½ miles south of Harrisonburg, at the Town of Dayton.

Although owned by Harrisonburg, the Town of Dayton has prior water rights to this spring and uses it as its primary supply. In the very driest periods, Silver Lake has shown very little drop in flow and has provided an ample supply of water for Dayton and the supplementary needs of Harrisonburg.

When required, water from Silver Lake is delivered to Harrisonburg through a 16-inch cast iron transmission main by two horizontal centrifugal pumps. The total capacity of this pump station is 3.0 mgd. The 16-inch line connects to the transmission mains from the Dry River supply at Dale Enterprise.

North River

The third water supply for Harrisonburg is the North River at Bridgewater. This facility consists of a dam across the North River and a pump station. The pump station consists of three vertical turbine pumps with the following capacities – 3.2 mgd, 3.3 mgd, and 2 mgd. The total capacity of the pump station is 5 mgd with the two largest pumps operating.

ANNEXATION PROCEEDINGS

CITY OF HARRISONBURG vs ROCKINGHAM COUNTY

GENERAL DESCRIPTION CITY OF HARRISONBURG WATER SYSTEM (Continued)

This watershed has a drainage area of approximately 269 square miles with a low flow of 9.0 mgd and an average flow of 185 mgd. The water from the North River which is fed by many limestone springs and flows through several limestone formations is moderately hard and slightly alkaline. Operating experience indicates an average hardness of less than 100 parts per million.

Switzer Lake

Switzer Lake is located approximately 7 miles upstream of the Dry River Raw Water Intake on Skidmore Fork. Although this lake is not a direct raw water supply for the City of Harrisonburg, it does guarantee an adequate supply of good quality water to the Dry River during drought conditions. As well as providing flood control, this lake serves as a recreational facility for the area. The lake has a drainage area of approximately 15 square miles with a storage volume of 2,852 acre-feet.

FUTURE SOURCE OF SUPPLY – South Fork of the Shenandoah River

The City of Harrisonburg owns 27.7 acres of land on the South Fork of the Shenandoah River at Island Ford, approximately 10 miles east of Harrisonburg, near McGaheysville. This potential future source of water supply includes an island and raceway where the city built a dam and hydroelectric plant in 1903. The average and minimum flow of the South Fork of the Shenandoah River at this point is approximately 641 mgd and 60 mgd, respectively.

TRANSMISSION SYSTEM

Dry River to Harrisonburg

Water was originally delivered to Harrisonburg by gravity from the Dry River supply through three cast iron transmission mains, a 10-inch line laid in 1898, a 12-inch line laid in 1922, and a 16-inch line laid in 1950. However, the 10-inch line was converted to a distribution line to serve the Route 33 West area when the North River water supply was developed.

The combined capacity of these lines, allowing for decreased capacity in the 12-inch lines due to tuberculation, is estimated at 3.5 million gallons per day.

Silver Lake to Harrisonburg

The emergency supply at Silver Lake is connected to the transmission mains from the Dry River supply by a 16-inch cast iron pump line constructed in 1948. This main connects to the Dry River transmission system at Dale Enterprise.

North River to Harrisonburg

The North River water supply is transmitted to the water treatment plant by a 20-inch cast iron line. This main connects to the Dry River transmission system at Dale Enterprise.

ANNEXATION PROCEEDINGS

CITY OF HARRISONBURG vs ROCKINGHAM COUNTY

GENERAL DESCRIPTION CITY OF HARRISONBURG WATER SYSTEM (Continued)

DISTRIBUTION SYSTEM

The Harrisonburg water distribution system is laid out in a rectangular pattern, with the majority of the mains following existing streets. There are approximately 75.48 miles of water mains inside the city and 57.21 miles outside, yielding a grand total of 132.6 miles.

The distribution system serves the entire city plus some areas outside the city. A 12-inch water main transports water along Route 11 South and Pleasant Valley Road to the proposed annexation line. A 12-inch water main serves the Forest Hills Subdivision off Port Republic Road. A 12-inch water main supplies water to Country Club Road and Keezletown Road.

Water is also sold to the county and distributed in county systems at Park View, Kratzer Road (to Donnelly Printing Company) and Route 33 East which also serves the Ashby Heights area. The former 10-inch transmission line on Route 33 West now distributes water along Route 33 West to Rawley Springs. Water pressure is maintained in this line by a pump station at Dale Enterprise and a 100,000 gallon storage tank and pump station at Coopers Mountain.

In the older sections of the city, there is a well developed system of main lines or arteries designed to carry large quantities of water to certain points in the city. Smaller lines connect to the main arteries and provide service to adjacent areas.

Completion of two improvement projects has had a major effect on the pressure and supply to higher areas of the system — namely, a high level system with related booster pumps to serve the area from the hospital, east of Mason Street across Ott Street to the Rolling Hills area and north through old Sims School and to U.S. 11 North via the Moore Addition; and the 16-inch high level feed line around the northern portion of the city. In addition to aiding the high pressure system, this feeder line has materially improved the low pressure problems in Park View and in the Holiday Hills addition.

A current construction project, when completed in February of 1981, will further improve water service in the outlying and higher areas of the city. This project consists primarily of a 2.5 million gallon elevated storage tank on Tower Street and an 18-inch water main which runs from Tower Street, south of James Madison University, west along Grace Street, and north to West Market Street. Also included is a 12-inch water main from James Madison University east-southeast to Forest Hills Subdivision.

STORAGE SYSTEM

Harrisonburg's original treated water storage consisted of a 6 million gallon concrete open storage reservoir constructed in 1914, a 15 million gallon concrete open storage reservoir constructed in 1926, 367,000 gallons of finished water storage at the filter plant, a 100,000 gallon pumped storage tank at Coopers Mountain, and a 200,000 gallon elevated storage tank at Walker Manufacturing (only 100,000 gallons of this water is reserved for the city). There are five additional elevated storage tanks located throughout the distribution system. While these

ANNEXATION PROCEEDINGS

CITY OF HARRISONBURG vs ROCKINGHAM COUNTY

GENERAL DESCRIPTION CITY OF HARRISONBURG WATER SYSTEM (Continued)

tanks are largely privately owned and installed for fire protection, the city incurs benefits in improving its fire protection posture.

The elevation of the major open storage reservoir is such that gravity feed is available from the filter plant. When the construction of the new 2.5 million gallon elevated storage tank at Tower Street is completed, the water service will be improved in the city and in adjacent areas. Water will then be pumped into this new tank by the existing Tower Street pump station which had two new 1,500 gallon per minute (gpm) pumps installed in 1979.

TREATMENT SYSTEM

In 1898, the 10-inch line from Dry River supplied untreated water to the City of Harrisonburg. However, this water was of very good quality. Silver Lake also supplied untreated water to the city during times of emergency. Later, a chlorinator and detention basin were installed at the Dry River water intake. This treatment system provided water to the city until 1971 when the water treatment plant off Route 33 West was put into operation.

Untreated water now enters the water treatment plant through a 24-inch pipe line. Chemicals are added and the water continues to the mixers located at the rear of the settling basins. The mixers thoroughly mix the chemicals with the water, which then flows into the settling basins. Action of the chemicals on small impurities in the water causes the formation of larger particles called floc, the majority of which settles in the settling basins. A polyelectrolyte material is added in minute quantities to the water and this material strengthens the floc so it will not break up and pass through the filters. The water then flows through high rate filters which have beds of a special anthracite coal, silica sand, and high density garnet sand, which removes the remaining floc. The flow of water through the filters is controlled by the piping and valving in the pipe gallery. Filtered water then flows to the large tank in front of the plant where chlorine is added. During the treatment process, the water is monitored electronically through a pilot filter at four points: untreated water, mixed water, settled water, and filtered water. This information is used by the plant operator to control the treatment process.

As floc is removed, the filters become dirty and must be backwashed. This is done by pumping treated water from the clear well up through the filters. The wash water is then piped to a lagoon below the plant where the floc from the filters is allowed to settle out before the wash water is discharged as waste.

A complete laboratory facility is used to perform periodic tests to insure that the water produced by the plant meets the highest standards of quality and safety.

The water treatment plant was originally designed for a 5 mgd design based on a 4 gpm per square foot flow rate through the filters and a detention time of 5 hours in the sedimentation basin. The piping in the plant was designed to handle 10 mgd. In 1978, pilot tests were performed and the plant successfully treated 7.6 mgd at a 6 gpm per square foot filter loading. The chemical feeders and chlorinators were enlarged at that time to accommodate this flow. The city has been authorized by the State Health Department to operate continuously at 7.6 mgd.

ANNEXATION PROCEEDINGS

CITY OF HARRISONBURG vs ROCKINGHAM COUNTY

CITY OF HARRISONBURG WATER SYSTEM GROWTH 1969-1981

HISTORICAL TREND OF WATER CUSTOMERS AND MONTHLY WATER CONSUMPTION

Date	Number of Customers			Gallons of Water Used -- Monthly		
	Inside City	Outside City	Total	Inside City	Outside City	Total
1969						
February	3,992	465	4,457	45,906,800	10,441,400	56,348,200
August	4,048	490	4,538	56,867,200	12,237,000	69,104,200
November	4,052	489	4,541	54,413,400	12,655,600	67,069,000
1974						
February	4,321	630	4,951	50,928,400	13,059,200	63,987,600
August	4,340	662	5,002	59,920,600	17,854,400	77,775,000
November	4,410	668	5,078	63,612,600	18,967,000	82,579,600
1975						
February	4,434	672	5,106	55,103,200	15,209,200	70,312,400
August	4,451	695	5,146	55,399,400	17,917,200	73,316,600
November	4,525	699	5,224	62,122,200	17,563,800	79,686,000
1976						
February	4,649	706	5,355	55,509,600	17,380,800	72,890,400
August	4,532	732	5,264	60,191,800	18,827,600	79,019,400
November	4,590	738	5,328	56,585,200	18,244,400	74,829,600
1977						
February	4,372	700	5,072	61,755,800	18,913,600	80,669,400
August	4,625	751	5,376	64,161,200	22,304,000	86,465,200
November	4,724	777	5,501	54,233,000	23,102,000	77,335,000
1978						
February	4,704	747	5,451	54,436,200	20,663,000	75,099,200
August	4,975	823	5,798	48,679,600	22,354,400	71,034,000
November	4,989	823	5,812	57,214,200	23,692,800	80,907,000
1979						
February	4,988	820	5,808	57,573,800	21,126,400	78,700,200
August	5,083	857	5,940	68,272,200	26,143,200	94,415,400
November	5,119	863	5,982	68,421,200	27,701,600	96,122,800
1980						
February	5,108	864	5,972	69,311,800	23,424,200	92,736,000
August	5,183	894	6,077	65,702,400	26,858,000	92,560,400
November	5,257	903	6,160	67,925,200	29,142,800	97,068,000
1981						
February	5,254	899	6,153	62,362,400	26,487,200	88,849,600

SUMMARY OF WATER SYSTEM GROWTH FEBRUARY 1969 TO FEBRUARY 1981

	City	Outside City	Total System
Customer Growth	32%	93%	38%
Water Use	36%	154%	58%

ANNEXATION PROCEEDINGS

CITY OF HARRISONBURG vs ROCKINGHAM COUNTY

CITY OF HARRISONBURG WATER SYSTEM GROWTH 1969-1981

HISTORICAL TREND OF WATER CUSTOMERS AND MONTHLY WATER CONSUMPTION

Date	Number of Customers			Gallons of Water Used — Monthly		
	Inside City	Outside City	Total	Inside City	Outside City	Total
1969						
February	3,992	465	4,457	45,906,800	10,441,400	56,348,200
August	4,048	490	4,538	56,867,200	12,237,000	69,104,200
November	4,052	489	4,541	54,413,400	12,655,600	67,069,000
1974						
February	4,321	630	4,951	50,928,400	13,059,200	63,987,600
August	4,340	662	5,002	59,920,600	17,854,400	77,775,000
November	4,410	668	5,078	63,612,600	18,967,000	82,579,600
1975						
February	4,434	672	5,106	55,103,200	15,209,200	70,312,400
August	4,451	695	5,146	55,399,400	17,917,200	73,316,600
November	4,525	699	5,224	62,122,200	17,563,800	79,686,000
1976						
February	4,649	706	5,355	55,509,600	17,380,800	72,890,400
August	4,532	732	5,264	60,191,800	18,827,600	79,019,400
November	4,590	738	5,328	56,585,200	18,244,400	74,829,600
1977						
February	4,372	700	5,072	61,755,800	18,913,600	80,669,400
August	4,625	751	5,376	64,161,200	22,304,000	86,465,200
November	4,724	777	5,501	54,233,000	23,102,000	77,335,000
1978						
February	4,704	747	5,451	54,436,200	20,663,000	75,099,200
August	4,975	823	5,798	48,679,600	22,354,400	71,034,000
November	4,989	823	5,812	57,214,200	23,692,800	80,907,000
1979						
February	4,988	820	5,808	57,573,800	21,126,400	78,700,200
August	5,083	857	5,940	68,272,200	26,143,200	94,415,400
November	5,119	863	5,982	68,421,200	27,701,600	96,122,800
1980						
February	5,108	864	5,972	69,311,800	23,424,200	92,736,000
August	5,183	894	6,077	65,702,400	26,858,000	92,560,400
November	5,257	903	6,160	67,925,200	29,142,800	97,068,000
1981						
February	5,254	899	6,153	62,362,400	26,487,200	88,849,600

SUMMARY OF WATER SYSTEM GROWTH FEBRUARY 1969 TO FEBRUARY 1981

	City	Outside City	Total System
Customer Growth	32%	93%	38%
Water Use	36%	154%	58%

1941

ANNEXATION PROCEEDINGS

CITY OF HARRISONBURG vs ROCKINGHAM COUNTY

DISTRIBUTION OF WATER CUSTOMERS CITY OF HARRISONBURG WATER SYSTEM

Customers within city	5,183
Estimated Water Customers in Annexation Area	478 ¹
Estimated Water Customers outside proposed annexation area	419 ²

Notes:

¹ 478 city customers on:

Route 33 West, Circle Drive, Fairway Hills, Country Club Road, Route 33 East, Route 11 South, Pleasant Valley Industrial Park, Pleasant Valley.

Water sold to Rockingham County in Proposed Annexation Area:

Service through 3 master meters includes:

Park View, Route 33 East, Donnelly, Forest Hills, Ashby Heights, Portland East, Valley Mall = 520 residences and 120 businesses.

² 419 city customers on:

Route 33 West, Grandview Drive, Route 701 West, Belmont Estates

ANNEXATION PROCEEDINGS

CITY OF HARRISONBURG vs ROCKINGHAM COUNTY

PERTINENT WATER SYSTEM DATA CITY OF HARRISONBURG, VIRGINIA

Raw Water Source Average Daily Flow	Present Raw Water Intake Capacity	Present Treatment Plant Capacity
North River — 185 mgd	5.2 mgd	
Dry River ¹ — 31 mgd	3.5 mgd	
Silver Lake — 4.3 mgd	<u>3.0 mgd</u>	7.6 mgd
	11.7	

¹ 1½ billion gallons of raw water storage in Switzer Lake available for release to Dry River intake during low flow.

Year	Estimated City and Annexation Area Population	Estimated Raw Water ² Needed at Filter Plant	Estimated Treated Water Consumption	Treated Water Storage Needed	Harrisonburg Storage Capacity	Number of days storage of Treated Water (or consumption requirements)
1981	25,000	4.1 mgd	3.3 mg	5 mg	24.1 mg	7.3
1990	28,500	4.6 mgd	3.7 mg	5.7 mg	26.1 mg	7.1
2000	32,000	5.3 mgd	4.2 mg	6.4 mg	26.1 mg	6.2

² Provides 25% allowance for backwashing filters, street cleaning, hydrant flushing, contractors' use, firefighting, and system loss.

Source: City Records

ANNEXATION PROCEEDINGS

CITY OF HARRISONBURG vs ROCKINGHAM COUNTY

GENERAL DESCRIPTION CITY OF HARRISONBURG SEWERAGE AND WASTEWATER TREATMENT FACILITIES

Sewer lines were first installed in Harrisonburg in the 1800's. The Board of Supervisors of Rockingham, by resolution, expressed in 1899 a need for sewer services for the courthouse — jail complex, and requested the Town Council of Harrisonburg to provide sewer services. The Town Council contracted to install sewer lines for the courthouse area, and Rockingham County agreed to pay \$400 per year for 10 years.

From 1910 to 1915, Harrisonburg continued to extend sewer lines in preparation for its first sewage disposal plant. The Layman farm was purchased in 1915, and a year later the town installed an Imhoff tank and sludge beds. Filter beds were finished in 1921.

After World War II, Harrisonburg designed a modern sewage treatment plant south of the city limits adjacent to State Route 1108. This treatment plant was built and placed in operation in 1952, along with major interceptor sewer lines for the entire Blacks Run drainage area, which included areas outside the 1952 city limits to the south, west, east, and north. The plant's effluent was then discharged into Blacks Run.

In 1959, Harrisonburg commissioned consulting engineers to evaluate the existing trunk sewer system and sewage treatment facilities for future growth and to recommend improvements for the annexation that was effective January 1, 1962. All improvements recommended were completed in accordance with the court decree.

The sewage plant built in 1952 was designed on the assumption that Harrisonburg would increase its population of 10,000 in 1947 to 19,000 in 1987, and provisions were made so that the plant could be enlarged to double its capacity after that 40 year period.

Improvements designed and constructed during the early 1960's were for the Blacks Run drainage area (Harrisonburg); an east drainage area (east of I-81); and the Dayton drainage area (west of Route 33). Sizes of these trunk lines were designed for Harrisonburg as well as areas outside the present city limits.

In 1969, the city received approval from the EPA and the State Water Control Board for a grant offer in the amount of \$627,000.

Harrisonburg performed sewerage analysis and other design work during 1969 and the early part of 1970 in an effort to enlarge the existing plant or to find a suitable and economical location for a new plant. In 1970, Harrisonburg decided to construct a new plant further downstream to service a much larger drainage area. The formula of funding has been dramatically changed from 100 percent local funds (with a possibility of obtaining a 30 percent EPA grant), to 55 percent Federal; 25 percent State; 20 percent local. Harrisonburg could, therefore, build a \$5 million new plant at \$1 million local cost, whereas the enlargement of the existing plant was estimated at \$2,090,000 (30 percent EPA — \$627,000, city's cost — \$1,463,000). The city revised its 1969 application to the State Water Control Board and

ANNEXATION PROCEEDINGS

CITY OF HARRISONBURG vs ROCKINGHAM COUNTY

GENERAL DESCRIPTION CITY OF HARRISONBURG SEWERAGE AND WASTEWATER TREATMENT FACILITIES (Continued)

resubmitted it in March 1970 for a new plant near Mt. Crawford at an estimated cost of \$4,988,000. The city's March 1970 application indicated the scope of the city's proposal including lines to Bridgewater and Dayton.

Because the State revoked the city's 30 percent EPA grant in order to encourage a larger regional facility, the city publicly suggested a Regional Sewer Authority and attempted to arrange with the county and towns several types of organizational structures. After extensive negotiations, the Authority was chartered on July 14, 1970. The Authority was created for the purpose of providing the acquisition, construction, operation and maintenance of a sewer system and sewage disposal system for the collection and treatment of sewage.

On August 6, 1970, the State Water Control Board confirmed a June 24, 1970 grant offer — Federal \$3,430,000; State \$1,225,000.

The City of Harrisonburg underwrote the financial obligations of the Authority which at the time had no assets. In order to provide the Authority the funds to pay contractors, engineers, purchase of land for a new plant, sewer line easements, and other administrative costs, the city guaranteed payment to the local banks of an amount not in excess of \$3 million plus interest. Harrisonburg increased its guaranty contract to provide payments to the Authority to \$3,300,000 or 80.20 percent of the obligations of the Authority on January 14, 1975. These guaranty ordinances by the city provided the Authority with most of its local funds from the beginning of the Authority until permanent financing in May of 1977.

The State Water Control Board wanted the Authority to construct interceptors from Dayton to Harrisonburg, the Route 11 Belle Meade interceptor, and the Ashby Heights interceptor. These lines were located in Rockingham County, and the Board of Supervisors repeatedly refused to participate financially in the local cost of the Authority. The City Council saw the need for these three interceptor sewer lines known as Divisions F, G, & H. The Authority, in July 1975, voted to accept the City of Harrisonburg's proposal to pay the entire local cost for the construction of said interceptors, with the provision that the customers along said lines would belong to the city, but the lines and all physical equipment would belong to the Authority. The Authority authorized engineering and construction of "Divisions F, G, & H."

Subsequent to July 1975 (after the city's offer to pay all local cost and after the filing date of the city's Annexation Ordinance), Rockingham County proposed to the Authority a different arrangement for payment of local cost. The City agreed to change the provisions upon the execution of a satisfactory contract.

On October 14, 1976, the Sewer Authority, the County of Rockingham and the City of Harrisonburg entered a contract for the "Divisions F, G, & H" interceptor sewer lines. In brief, the contract provided that the Authority would construct and own interceptor lines F and G

ANNEXATION PROCEEDINGS

CITY OF HARRISONBURG vs ROCKINGHAM COUNTY

GENERAL DESCRIPTION CITY OF HARRISONBURG SEWERAGE AND WASTEWATER TREATMENT FACILITIES (Continued)

and the city and county would share jointly the entire local cost. All customers were to belong to the Authority pending disposition of the annexation suit. Upon completion of the annexation proceedings, all existing and future customers served by said interceptors would follow the new boundaries of annexation and would become customers of either the city or county.

In May 1977, the Authority sold \$4 million of sewer revenue bonds. Harrisonburg, Bridgewater, and Dayton guaranteed payment of principal and interest and pledged the full faith and credit of the city and each town. In order to make the project regional in scope, the Authority desired that all parties participate financially. In May 1977, Rockingham County made a contribution of \$1.2 million in exchange for 2 million gallons per day of plant initial allocation capacity, certified at that time by the State Water Control Board at 8 million gallons per day.

Prior to September 1976, Rockingham County did not own or operate sewage collection or treatment facilities.

Under the 1977 service contract, the Authority agreed to accept sewage only from the units of local government. The Authority is therefore in effect a wholesaler of sewage treatment and accepts sewage flow only from the sewer collection systems operated by the units of local government within the service area.

The Harrisonburg — Rockingham Regional Sewer Authority sewage treatment plant is located on the North River near Interstate 81 and began operation on August 6, 1976. The plant is designed to achieve secondary treatment of domestic, commercial, and industrial wastes from the surrounding areas. Treatment is accomplished basically through the complete mix activated sludge process.

Sewage flows by gravity through interceptors to the sewage treatment plant. The Authority owns two principal interceptors — Blacks Run (from Harrisonburg to Cooks Creek) and Cooks Creek (from Harrisonburg to the North River). Sewage is lifted to the treatment plant by a lift station having a maximum capacity of 20 mgd then discharged to two grit removal units. The flow then receives coagulant addition (alum), flash mixing, flocculation, air flotation for grease removal, and primary sedimentation. Secondary treatment is accomplished by complete mix activated sludge units with the aeration tank effluent receiving coagulation (alum), flash mix, flocculation and sedimentation with return sludge wasted, recycled or reaerated. The final effluent receives chlorination and post aeration. Sludges pass through sludge thickeners to the two-stage anaerobic digesters. Sludge supernatant is treated in a Purifax unit before being returned to the plant flow. Digested sludge is dewatered by vacuum filters.

The general design data for this plant are as follows:

ANNEXATION PROCEEDINGS

CITY OF HARRISONBURG vs ROCKINGHAM COUNTY

GENERAL DESCRIPTION CITY OF HARRISONBURG SEWERAGE AND WASTEWATER TREATMENT FACILITIES (Continued)

Design Population	80,000
Total Design Flow	Average — 8.0 mgd
	Peak — 16.0 mgd
BOD Reduction	92.5%
Suspended Solids (SS) Reduction	92.5%

Based on this data and the commonly accepted averages of 0.20 pounds of BOD₅ and suspended solids per day per capita, the total organic loading for which this plant was designed is:

BOD ₅	16,000 pounds per day
Suspended Solids	16,000 pounds per day

The licensed capacity of the plant is 8.0 mgd. The Authority has, however, authorized the submittal of an application to increase its permitted flow to 12.0 mgd.

ANNEXATION PROCEEDINGS

CITY OF HARRISONBURG vs ROCKINGHAM COUNTY

ESTIMATED WATER IMPROVEMENTS IN THE PROPOSED ANNEXATION AREA

Description	Length (feet)	Priority	TOTAL COST BY PRIORITY			Total Cost (1-10 Years)
			Priority 1 (1-4 Years)	Priority 2 (4-7 Years)	Priority 3 (7-10 Years)	
Storage Tank 2 mg tank on Rt. 827		2		\$400,000		\$ 400,000
Pump Station Port Republic Road		1	\$ 45,000			45,000
Subtotal (Tanks and Pumps)			\$ 45,000	\$400,000		\$ 445,000
Distribution Lines						
8-inch	4,933	1	\$131,500			\$ 131,500
12-inch	17,656	1	548,200			548,200
16-inch	2,760	1	104,700			104,700
12-inch	17,400	2		\$540,400		540,400
10-inch	8,581	3			\$ 247,600	247,600
12-inch	11,242	3			349,000	349,000
16-inch	12,134	3			460,500	460,500
12-inch	20,959	Future				
Subtotal (Lines)			\$784,400	\$540,400	\$1,057,100	\$2,381,900
Fire Hydrants						
37		1	\$ 46,300			\$ 46,300
16		2		\$ 20,000		20,000
28		3			\$ 35,000	35,000
18		Future				
Subtotal (Fire Hydrants)			\$ 46,300	\$ 20,000	\$ 35,000	\$ 101,300
GRAND TOTAL			\$875,700	\$960,400	\$1,092,100	\$2,928,200

ANNEXATION PROCEEDINGS

CITY OF HARRISONBURG vs ROCKINGHAM COUNTY

PROPOSED SEWER IMPROVEMENTS IN PROPOSED ANNEXATION AREA

Section No.	Description	Line Size	Length (feet)	Priority	TOTAL COST BY PRIORITY			Total (1-10 Years)
					Priority 1 (1-4 Years)	Priority 2 (4-7 Years)	Priority 3 (7-10 Years)	
INTERCEPTORS								
IA	Upper Ridge Road							
	(a-b)	8	2,200	1	\$ 83,600			\$ 83,600
	(b-c)	8	2,200	1	83,600			83,600
IB	Lower Ridge Road	8	4,800	1	182,400			182,400
IC	Route 710	8	3,000	1	114,000			114,000
ID	Route 11 (Radio Tower)	8	3,300	1	126,400			126,400
IE	Route 11 (Reservoir)	10	2,400	1	103,200			103,200
IE	Route 11 (Reservoir)	8	1,300	1	49,400			49,400
IF	Route 42	8	600	1	22,800			22,800
IG	Route 11 (Grace Chapel)	8	1,000	1	38,000			38,000
IK	Route 33 W (Stream)	8	2,500	1	95,000			95,000
IM	Route 33 W (Stream)							
	(a-b)	8	600	1	22,800			22,800
	(b-c)	10	3,100	1	133,300			133,300
IL	Circle Drive	8	2,100	1	79,800			79,800
IN	West Market Street	8	2,400	1	91,200			91,200
	National Coach off Route 42							
IP	(a-b)	8	1,900	1	72,200			72,200
IQ	(b-c)	8	1,600	1	60,800			60,800
IV	Route 712	8	2,500	1	95,000			95,000
IR	Park View (Edom Rd.)	8	3,100	2		\$117,800		117,800
IS	Park View (Mt. Clinton Pike)	8	2,000	2		76,000		76,000
IT	Park View (Greystone St.)	8	1,900	2		72,200		72,200
IU	Route 710 Ridge Road	8	4,000	2		152,000		152,000
IIA	Route 42 N	8	1,300	2		49,400		49,400
IIB	Route 42 N	8	1,300	2		49,400		49,400

ANNEXATION PROCEEDINGS

CITY OF HARRISONBURG vs ROCKINGHAM COUNTY

PROPOSED SEWER IMPROVEMENTS IN PROPOSED ANNEXATION AREA (Continued)

Section No.	Description	Line Size	Length (feet)	Priority	TOTAL COST BY PRIORITY			Total (1-10 Years)
					Priority 1 (1-4 Years)	Priority 2 (4-7 Years)	Priority 3 (7-10 Years)	
IIIA	Route 726							
	(a-b)	8	2,700	3			\$ 102,600	102,600
	(b-c)	10	1,100	3			47,300	47,300
IIIB	Route 711	8	2,400	3			91,200	91,200
IIIC	Route 42/Route 910	8	2,600	3			95,000	95,000
IIID	Route 910	8	5,100	3			193,800	193,800
IIIE	Hillendale Avenue	8	3,200	3			121,600	121,600
	Subtotal (Interceptors)				\$1,452,500	\$516,800	\$ 651,500	\$2,620,800
	COLLECTORS							
IA	Upper Ridge Road	8	2,200	1	\$ 83,600			\$ 83,600
IH	Route 33 West	8	1,800	2		\$ 68,400		68,400
II	Route 33 West	8	1,200	2		45,600		45,600
IK	Route 33 West (Stream)	8	600	2		22,800		22,800
IJ	Route 33 West (Stream)	8	3,300	2		125,400		125,400
IL	Circle Drive	8	2,600	1	98,800			98,800
	Park View	8	11,400	3			433,200	433,200
	Route 710 (Stream)	8	3,700	Future				
	Subtotal (Collectors)				\$ 182,400	\$262,200	\$ 433,200	\$ 877,800
	TOTAL COSTS (Federal and Local Funds)				\$1,634,900	\$779,000	\$1,084,700	\$3,498,600
	POSSIBLE LOCAL COST (With 75% Federal Funding)*				\$ 545,500	\$391,400	\$ 596,100	\$1,533,400

*Collectors are not eligible for Federal funds.

ANNEXATION PROCEEDINGS

CITY OF HARRISONBURG vs ROCKINGHAM COUNTY

CONSOLIDATION OF ESTIMATED MAJOR CAPITAL IMPROVEMENTS FOR PROPOSED ANNEXATION AREA

	Priority 1 (1-4 Years)	Priority 2 (4-7 Years)	Priority 3 (7-10 Years)	Total (1-10 Years)
1. Estimated Water Improvements	\$ 875,700	\$ 960,400	\$1,092,100	\$ 2,928,200
2. Estimated Sewer Improvements	<u>1,834,900</u>	<u>779,000</u>	<u>1,084,700</u>	<u>3,498,600</u>
3. Subtotal (Water and Sewer)	\$2,510,600	\$1,739,400	\$2,176,800	\$ 6,426,800
4. Estimated Road Improvements (Local Share Only)	495,000	556,000	604,000	1,655,000
5. Estimated Fire Stations	250,000	-	-	250,000
6. Estimated Central Garage	235,000	165,000	-	400,000
7. Estimated New Parks, Vehicles, and Equipment	236,500	468,550	260,050	965,100
8. Estimated Street Lighting Improvements		(City of Harrisonburg pays annual operations charge of \$110,307)		
9. Estimated School Capital Outlays				
(a) Elementary classrooms, buses, site, A/E for new Junior High School	\$2,363,000	-	-	\$ 2,363,000
(b) New Junior High School		<u>\$3,000,000</u>	-	<u>3,000,000</u>
Subtotal (Schools)	\$2,363,000	\$3,000,000	-	\$ 5,363,000
10. Other Capital Outlays for Annexation Area Operations (Equipment, etc.) See Exhibit No. 27				
(a) Operations	494,535	-	-	\$ 494,535
(b) Administrative	<u>29,200</u>	-	-	<u>29,200</u>
11. Subtotal	\$ 523,735	-	-	\$ 523,735
12. Grand Total of Estimated Capital Improvements and Capital Equipment Expenditures	<u>\$8,813,835</u>	<u>\$5,928,950</u>	<u>\$3,040,850</u>	<u>\$15,681,635</u>

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ANNEXATION PROCEEDINGS

CITY OF HARRISONBURG vs ROCKINGHAM COUNTY

ESTIMATED ANNUAL REVENUE TO THE CITY OF HARRISONBURG FOR THE AREA PROPOSED FOR ANNEXATION

Source	Estimated Revenues 1980-1981 (Existing City)	Estimated Revenue from Area To be Annexed
GENERAL FUND		
General Property Taxes	\$2,332,200	\$1,070,567
Other Local Taxes	3,168,800	1,225,400
Permits, Privilege Fees and Regulatory Licenses	36,736	16,716
Fines and Forfeitures	70,476	23,488
Revenues from Use of Money and Property	233,968	67,226
Charges for Services	416,535	59,280
Miscellaneous Revenue	703,700	—
Recovered Costs	155,000	—
Payments in Lieu of Taxes	105,535	5,000
Non-Categorical Aid	735,410	156,180
Shared Expenses	91,361	26,668
Categorical Aid	373,844	278,910
Non-Revenue Receipts	20,800	8,566
Transfers from Other Funds	280,609	—
Total	\$8,724,964	\$2,938,001
VIRGINIA PUBLIC ASSISTANCE FUND	\$ 400,135	—
CENTRAL GARAGE FUND	93,846	—
CENTRAL STORES FUND	30,608	—
PUBLIC TRANSPORTATION FUND	396,279	150,660
Balance Available from 1979-1980	168,600	—
Total Estimated Revenues	\$9,814,432¹	\$3,088,661

¹ Excludes Water Fund, Sewer Fund, and School Fund.

ANNEXATION PROCEEDINGS

CITY OF HARRISONBURG vs ROCKINGHAM COUNTY

ESTIMATED ANNUAL EXPENSE TO THE CITY OF HARRISONBURG FOR THE AREA PROPOSED FOR ANNEXATION

Department	Estimated Expenditures 1980-1981 (Existing City)	Estimated Additional Expenditures
Legislative	\$ 36,828	\$ 10,042
General and Financial Administration	840,113	171,150
Board of Elections	20,757	3,800
Judicial	13,973	—
Public Safety	1,024,206	268,384
Public Works	1,170,744	401,774
Health and Welfare	93,955	37,000
Parks, Recreation, and Cultural	454,132	47,944
Community Development	134,569	14,500
Non-Departmental	554,715	147,500
Reserve for Contingencies	30,000	—
Total	\$4,373,992	\$1,102,094
Virginia Public Assistance Fund	400,135	7,500
Central Garage Fund	93,846	—
Central Stores Fund	30,608	—
Public Transportation Fund	396,279	200,878
 Grand Total Excluding Debt Service, Capital Outlay, Water and Sewer Funds, and School Fund	 \$5,294,860	 \$1,310,472

ANNEXATION PROCEEDINGS

CITY OF HARRISONBURG vs ROCKINGHAM COUNTY

LEGAL DEBT LIMIT AND LEGAL DEBT MARGIN

CITY OF HARRISONBURG

Real Estate in City of Harrisonburg	\$269,622,500
Real Estate of Public Service Corporation	11,455,673
Total Real Estate Value (1980)	\$281,078,173
Assessment Ratio	100%
Assessed Value	\$281,078,173
Legal Debt Limit (10%)	28,107,817
Outstanding Long-Term Debt (January 1981)	4,152,478
Legal Debt Margin	\$ 23,955,339

ANNEXATION AREA

Real Estate of Annexed Area	\$120,380,601
Real Estate of Public Service Corporation	2,122,162
Total Real Estate Value (1979/1980)	\$122,502,763
Assessment Ratio	100%
Assessed Value	\$122,502,763
Legal Debt Limit (10%)	12,250,276
Legal Debt Limit — Enlarged City of Harrisonburg	40,358,093

ENLARGED CITY OF HARRISONBURG

Legal Debt Margin	\$ 36,205,615
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ANNEXATION PROCEEDINGS

CITY OF HARRISONBURG vs ROCKINGHAM COUNTY

POTENTIAL LOSS OF NET TAX REVENUES TO ROCKINGHAM COUNTY FOR THE AREA PROPOSED FOR ANNEXATION

1.	Loss of Revenues (local only)	
A.	Local Levies	\$1,085,460
B.	Certain General Fund Revenues	
(1)	Local Sales and Use Tax	\$ 818,250
(2)	Recordation Tax	11,915
(3)	Vehicle Licenses Tax	61,069
(4)	County Utility Tax	79,760
(5)	Hotel and Motel Room Tax	61,261
(6)	Trailer - Titling License Tax	3,924
(7)	Sales of Animal License Tags	1,854
(8)	Permits and Other Licenses	8,018
(9)	Fines and Forfeitures	2,553
(10)	Total	\$1,048,604
2.	Gross Loss of Revenues	\$2,134,064
3.	Reduction in County Expenditures	
A.	Debt Service to be Assumed by City of Harrisonburg	\$ 144,086
B.	School Operational Expenses from Local Funds	262,500
C.	Certain General Governmental Local Funded Operating Expenses	165,710
4.	Total Reduction in County Expenditures	\$ 572,296
5.	Loss of Net Tax Revenue (Line 2 minus Line 4)	\$1,561,768

TABLE 24

ROCKINGHAM COUNTY
WATER SUPPLY AND WASTEWATER TREATMENT SYSTEMS

Owner/Operator	W A T E R S U P P L Y					WASTEWATER	TREATMENT	Flow		Discharge	
	Source	Safe Yield MGD	Current Usage Avg. MGD	Max.	Processing MGD	Storage MGD	Treatment De- sign Cap. (MGD)	Degree	Avg.	Max.	To
<u>Municipal</u>											
City of Harrisonburg	Dry River										
	Silver Lake	11.1	2.5	3.3	5.0	21.00	2.2	S	3.5	5.0	Blacks Run
	North River										
Town of Bridgewater	North River	-	0.3	-	1.0	0.57	0.35	P	0.37	-	North River
Town of Broadway	N.F. Shen. R.	-	0.13	0.18	0.5	0.56	0.1	S	0.09	0.1	N.F. Shen. R.
Town of Dayton	Silver Lake	3.0	0.2	-	-	0.08*	0.24	S	0.50	-	Cooks Creek
Town of Elkton	Well-Spring	0.55	0.4	-	-	1.23	0.30	P	0.25	0.4	S.F. Shen. R.
Town of Grottoes	Well	0.57	0.13	-	None	0.10	-	-	-	-	-
Town of Mt. Crawford	I n d i v i d u a l S y s t e m s										
Town of Timberville	3 Wells-Spg.	0.5	0.09	-	-	0.63	0.1		0.06	-	N.F. Shen. R.
Parkview San. Dist.	Harrisonburg	-	0.12	0.13	-	0.75	Harrisonburg				
McGaheysville Water Co.	Well	1.3	0.02	-	-	0.025	Individual				
<u>Private/Cooperatives</u>											
Ashby Hgts. Water											
Coop.	4 wells	-	0.3	-	-	0.38	Individual Systems				
Mt. Clinton Elem.											
School							0.007	S	0.004	-	Muddy Creek
Belmont Estates							0.02	S		-	Cooks Creek
Turner Ashby H.S.							0.01	P		-	Cooks Creek
National Trailer Coach							0.006		0.024	-	Cooks Creek
Spottswood Mobile											
Homes	Well	0.050	0.030	-	-	0.050	0.030		0.034	-	Blacks Run
Pleasant Valley											
Elem. School							0.010		0.003	-	Blacks Run
Valley Lanes							0.001		-	-	Blacks Run
Belle Meade							0.028		0.037	-	Blacks Run

* Dayton is in the process of adding 1 million gallons of storage capacity.

TABLE 24 (Continued)

ROCKINGHAM COUNTY
WATER SUPPLY AND WASTEWATER TREATMENT SYSTEMS

Owner/Operator	Source	W A T E R S U P P L Y			Processing MGD	Storage MGD	WASTEWATER TREATMENT				Discharge To	
		Safe Yield MGD	Current Usage Avg. MGD	Max.			Treatment De- sign Cap. (MGD)	Degree	Flow Avg. Max.			
<u>Private/Cooperatives (continued)</u>												
Holiday Inn, H'burg.							0.033	S	0.016			Blacks Run
Tumbleweed Motel							0.003	P	0.003			Blacks Run
Stuckeys Pecan Shop							0.005	P	-	-		Pleasant Run
Massanetta Springs, Inc. Spring		1.0	-	0.09	None	1.3	0.060	S	0.023	0.070		Congers Creek
Donnegail Sub. #1							0.006	P	0.007	-		Cub Run
Donnegail Sub. #2							0.040	S	-	-		Cub Run
Montevideo H. S.							0.012	P	0.010	-		Cub Run
Massanutten Dev. Corp.							0.100	S	-	-		Quail Run
Fulks Run Elem. Sch.							0.001	S	0.0006	-		Fulks Run
Correctional Unit #8	Well	-	-	-	-	0.005	0.012	S	0.005	-		Linville Creek
Valley Trailer Park	2 Wells	-	0.030	-	-	0.010	0.025		0.030	-		Smith Creek
Camp Overlook							0.003	S	-	-		Smith Creek
Endless Caverns							0.009	P	0.003	-		Smith Creek
Rancho Trailer Park							0.015		0.007	-		Smith Creek
<u>Industrial</u>												
Wampler Foods, Inc.	Well	-	-	-	-	0.040						Muddy Creek
Harrisonburg Photo Finish							0.17	S	0.003			Cooks Creek
Dayton Transport Co.									0.001			Cooks Creek
Risser-Martin									0.002			Cooks Creek
Walker Manufacturing Packaging Corp. of America							0.008		0.010			Blacks Run
Merck, Inc.	9 Wells	-	8.00	-	-	0.40	0.010		0.003	0.005		Blacks Run
National Fruit			0.45				2.00		1.50			S.F. Shen.R.
Rockingham Poultry	3 wells		0.12			0.006	4.30	S	0.025	-		N.F. Shen.R.
Shen-Valley Meat			0.55				0.70		0.600	-		N.F. Shen.R.
Timberville Food Processors			0.95		1.6	0.300			0.40	0.70		N.F. Shen.R.

ANNEXATION PROCEEDINGS

CITY OF HARRISONBURG vs ROCKINGHAM COUNTY

ESTIMATED ANNUAL REDUCTIONS IN LOCAL FUNDED OPERATING EXPENSES OF ROCKINGHAM COUNTY DUE TO PROPOSED ANNEXATION

Activity	Source	Authorized 1980-81	Annual Reduction
11	Legislative	\$ 58,175	\$ 1,712
12	General/Financial Administration	921,636	21,264
13	Board of Elections	34,075	492
21	Courts	83,800	2,698
22	Commonwealth's Attorney	64,650	—
31	Law Enforcement/Traffic Control	503,377	15,238
32	Fire and Rescue Services	277,150	9,051
33	Correction and Detention	201,200	1,552
34	Inspections	80,832	5,030
35	Other Protection	46,634	1,817
40	Public Works	83,784	13,514
41	Maintenance Highway and Streets	430	—
42	Sanitation/Waste Removal	123,215	5,323
43	Maintenance Buildings and Grounds	212,423	4,435
44	Utilities	320,832	—
51	Health	170,000	10,365
52	Mental Health and Retardation	58,483	3,917
53	Welfare/Social Services	1,453,956	36,385
71	Parks and Recreation	178,800	8,938
73	Library	93,000	8,621
81	Planning/Community Development	84,277	2,088
82-83	Environment Management and Cooperative Ext.	101,123	139
91	Non-Departmental	616,700	13,131
Total General Operating Budget (Excludes Schools, and Capital Outlay)		\$5,768,552	\$165,710

REPORT
ON THE
CITY OF HARRISONBURG - COUNTY OF ROCKINGHAM
ANNEXATION CASE



**COMMISSION ON LOCAL GOVERNMENT
COMMONWEALTH OF VIRGINIA**

February 20, 1981



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REPORT
OF THE
COMMISSION ON LOCAL GOVERNMENT
CITY OF HARRISONBURG - COUNTY OF ROCKINGHAM
ANNEXATION CASE
February 20, 1981

By order dated July 30, 1980 the Three-Judge Special Court designated to hear the City of Harrisonburg - County of Rockingham annexation case directed the Commission on Local Government to prepare and file a report on the proposed annexation in accordance with the provisions of Chapter 19.1, Title 15.1 of the Code of Virginia. Pursuant to such Court order this report is hereby submitted.

Proceedings of Commission

Subsequent to the Commission's receipt of the Court order directing its review of the City of Harrisonburg - County of Rockingham annexation case, the Commission held preliminary discussion with counsel for the City and was advised that a period of 90 days would be required for the City to prepare its case for presentation. Accordingly, at its regular meeting on September 9, 1980, the Commission established November 1, 1980 as the date by which the City would be expected to submit its material in support of the proposed annexation to the Commission for review, and November 8, 1980 as the deadline for County submission of material in opposition. These submissions by the City and County were made available, at the request of the Commission, for public scrutiny in the offices of both the City Manager of the City of Harrisonburg and the County Administrator of

Rockingham County. Following its receipt and review of these submissions, the Commission toured the City and the area proposed for annexation on November 15 and received oral testimony from the City and the County on December 3, 4, 5 and 8, 1980.

In addition to its receipt and consideration of materials and testimony from the City of Harrisonburg and the County of Rockingham, the Commission solicited comment from other potentially affected local governments and the public. Pursuant to the requirements of Section 15.1-945.7(A) of the Code of Virginia, the City of Harrisonburg gave notice of its proposed annexation to "all local governments contiguous to, or sharing functions, revenue, or tax sources" with it. Each of the towns, counties, and cities receiving such notice was invited by the Commission to submit comment on the proposed annexation for its consideration. Further, the Commission held a public hearing, which was advertised in accordance with the provisions of Section 15.1-945.7(B), on December 10, 1980, at which 58 persons presented testimony relative to the proposed annexation.

In addition to its formal review of the proposed annexation, the Commission designated an independent mediator, pursuant to a request initiated by the County of Rockingham under authority granted by Section 15.1-945.7(E) of the Code of Virginia, to assist the County and the City of Harrisonburg in negotiating a settlement of the annexation issue. After three months of unsuccessful effort to negotiate a settlement of the issue, the Commission declared the statutorily invoked negotiations terminated as of February 8, 1981.

The Commission's review and recommendations relative to the City of Harrisonburg's proposed annexation have been based upon, as required by Section 15.1-945.7(B) of the Code of Virginia, "the criteria and standards established

by law" for consideration in annexation cases. Thus, the Commission has analyzed the proposed annexation on the basis of the criteria, factors, and other considerations set forth in Chapter 25 of Title 15.1 of the Code of Virginia. The Commission has endeavored to assist the Court and the parties through the application of its collective experience in local government functions and administration and has sought to leave questions of law for judicial resolution. The Commission trusts that its recommendations relative to the necessity for and expedience of the annexation proposed by the City of Harrisonburg will assist the Court in the discharge of its responsibilities.

General Characteristics of the City, the County,
and the Area Proposed for Annexation

City of Harrisonburg

Harrisonburg, since its founding in 1780, has become an important center in Virginia's Shenandoah Valley. Interstate Highway 81, which follows the valley through Virginia, connects Harrisonburg to Winchester in the northeast and to Roanoke in the southwest. This important highway is reported to have an average daily travel volume through Harrisonburg of approximately 16,300 vehicles.¹ The retail trade area of the City extends from the Augusta County line in the south to Shenandoah County to the north and westward from the Blue Ridge Mountains into the State of West Virginia. Additionally, Rockingham Memorial Hospital, which is located in Harrisonburg, has a service area that encompasses 100,000 persons.²

1 John P. Hopkins, Transportation Planning Division, Virginia Department of Highways and Transportation, telephone communication with staff of the Commission on Local Government, Feb. 2, 1981.

2 Harland Bartholomew and Associates, Inc., Background for Planning in the City of Harrisonburg, 1980, p. 26.

The City of Harrisonburg presently has a population of 19,713 and an area of 5.98 square miles.³ The City's last major annexation occurred in 1962 and resulted in Harrisonburg's enlargement by 926 persons and 3.01 square miles. Since 1962 there have been two uncontested annexations for the purpose of bringing industrial tracts located along U.S. Route 33 and east of Interstate Highway 81 into the City. These two annexations collectively added only .23 of a square mile to the City's total area.

Between 1960 and 1980 the City of Harrisonburg's population grew from 11,916 to 19,613, an increase of 7,797 persons. It is significant to note that during the same span of years enrollment at James Madison University, whose dormitories are located within the City, rose from 1,494 to 8,817, an increase of 7,323. Thus, the evidence suggests that much of the population growth in the City of Harrisonburg has been related to the development of James Madison University.⁴ Clearly, the growth of the University's student body, the concomitant increase in its faculty and staff, and the 1962 annexation have constituted the principal bases of growth in the City. The data suggest that as the University's enrollment stabilizes there will be little dynamic for growth in the City of Harrisonburg.

3 City of Harrisonburg, City of Harrisonburg Exhibits: Submittal to Commission on Local Government, Commonwealth of Virginia (hereinafter cited as Harrisonburg Exhibits), 1980, Exh. 2 and 4R. The total population figure is a preliminary statistic established by the U.S. Bureau of the Census and agreed to by the City of Harrisonburg. When the final population statistics have been certified by the Bureau of the Census in 1981 or 1982, the City's official population figure may be altered.

4 U.S. Bureau of the Census policies call for the inclusion in a locality's population count of any student or other individual who is residing in such locality on the day the Census is taken. Census data for 1970 and the preliminary figures for 1980 indicate that the population in Harrisonburg residing in "group quarters" increased from 2,546 to 4,191 or 106% during the past decade. Since college dormitory population constituted 95% of the City's "group quarters"

The City of Harrisonburg has a rather typical land use pattern for cities of its size. Of the total of 3,827 acres within the present boundaries of the City approximately 30% (1146 acres) is devoted to residential usage, 6.5% (247 acres) is utilized for commercial activity, and 6.6% (253 acres) is committed to light and heavy industrial enterprise. Approximately 30% (1117 acres) of the City's present area is devoted to public and semi-public usage, including land for highways, streets, and roads.⁵ Within the City's current boundaries there are approximately 1005 acres of vacant land, of which 34% (342 acres) was shown by the City to be affected by certain environmental factors which would restrict its development.⁶ The Commission has noted that of the present vacant land within the City 205 acres are zoned for industrial use and 40 acres are zoned for commercial enterprise. Generally, however, these City sites do not offer rail connections, access or exposure to the interstate highway network, or tracts of sufficient size which, in the Commission's judgment, would make them competitive with sites available for development in the County.

In terms of employment opportunities, the records of the Virginia Employment Commission indicate that there were approximately 15,000 nonagricultural wage and salary jobs within the City's boundaries in 1979. This figure represents an increase of 32.52% in such employment opportunities since 1970, an increase only

(Continued)

population in 1970, it is assumed that this percentage relationship will be similar in 1980. If this assumption is correct, approximately 35% of the City's growth during the past decade may be attributed to the increase in college dormitory population alone. (U.S. Department of Commerce, Bureau of the Census, 1970 Census of Population, General Population Characteristics for Virginia, Number PC(1)-48, Table 29.)

5 Harrisonburg Exhibits, Exh. 10. Approximately 30% of the City's land area is tax exempt.

6 Harrisonburg Exhibits, Exh. 11. Examples of such impediments to development are flood plains, rock outcrops, slopes greater than 15%, and areas susceptible to

slightly less than the growth in the City's population (34.97%) during the past decade. An analysis of the employment figures for the City indicates that the growth in employment opportunities within the City from 1970-79 occurred in the nonmanufacturing sector, principally in the areas of wholesale and retail trade, services, and State government employment. During the same period of time manufacturing employment decreased by 6% in the City.⁷

County of Rockingham

The County of Rockingham represents a major agricultural resource to the Commonwealth of Virginia and the nation as a whole. According to the recently published 1978 Census of Agriculture, the County of Rockingham was the premier county in Virginia in terms of the total value of agricultural products sold, with Rockingham County farmers receiving \$154 million for their products. The significance of this figure becomes apparent when one considers the fact that the State's second ranked jurisdiction in terms of agricultural operations produced only \$45 million in agricultural products during 1978.⁸

(Continued)

sinkholes. While such environmental factors are not complete barriers to development, they are impediments which restrict the land's use and limit its development potential.

7 Virginia Employment Commission, Population and Labor Force Data, 1970 and 1979. The labor force data also suggest the importance of the James Madison University to the City's population growth. The data indicate that full-time employment at the University rose from 575 positions in 1970 to 1,100 positions in 1980, an increase of 91%. Assuming that many of these positions were filled by married persons with families, the added faculty and staff contributed substantially to the area's growth

8 U.S. Department of Commerce, Bureau of the Census, 1978 Census of Agriculture, Preliminary Report for Rockingham County, Virginia, Number AC78-P-51-165, June 1980, Table 1.

In 1980 Rockingham County had a population of 56,348 according to preliminary figures released by the U.S. Bureau of the Census, and a land area of 865 square miles inclusive of the population and area of its seven incorporated towns.⁹ Between 1960 and 1980 that population grew by approximately 15,000 persons, or 39%. In terms of land area, Rockingham County is the third largest county in the State of Virginia; however, 32% of the County's total land area, or 275 square miles, is located within the boundaries of the George Washington National Forest and the Shenandoah National Park. In addition, slightly in excess of 6 square miles of County territory are located within the boundaries of seven incorporated towns.¹⁰ Of the land in the County outside the national preserves and the seven incorporated towns, 394 square miles, or 67% of that total, is devoted to farming, with the average size farm being 135 acres.¹¹

Despite the significance of the agricultural industry to Rockingham County, the County does appear to have a balanced economic base. The data indicate that as of 1979 there were 15,600 nonagricultural wage and salary jobs in the County,

9 County of Rockingham, County of Rockingham Exhibits: City of Harrisonburg vs. County of Rockingham Annexation Proceedings (hereinafter cited as Rockingham Exhibits), 1980, Exh. 69. Excluding the population and land area of the seven incorporated towns, Rockingham County contained 46,519 persons residing in an area of 859 square miles.

10 Rockingham Exhibits, Exh. 69.

11 1978 Census of Agriculture, Preliminary Report for Rockingham County, Virginia Table 1.

constituting a 51% increase in nonagricultural employment since 1970. A substantial portion (44%) of the County's 1979 nonagricultural employment was in the manufacturing sector, with nearly half of those jobs in the food processing industry.¹²

Area Proposed for Annexation

The area of Rockingham County which is proposed for annexation by the City of Harrisonburg is delineated in the City's petition for annexation and described in detail by numerous City and County exhibits submitted to the Commission. (See Appendix A for a map of the area proposed for annexation.) For our purposes here, it is sufficient to note that as of December, 1980, the proposed area included 14.14 square miles; 5,165 persons; 873 children and youth enumerated by the 1980 special County school census; \$120.4 million in real property values; and \$142.5 million in total property values subject to local taxation. (See Appendix B for a listing of major demographic, fiscal, economic, and land characteristics of the City, the County, and the area proposed for annexation.)

The area of Rockingham County proposed for annexation by the City of Harrisonburg is an important resource to the region as a whole. The 14.14 square miles sought by the City include many of the major commercial and manufacturing establishments in the County. In terms of local revenue significance, the area proposed for annexation contains 14.11% of the County's 1980 total property values subject to local taxation and is the source of 65.46% of the County's local option 1% sales tax receipts.¹³

The Valley Mall complex and the adjacent K-Mart and Kroger stores, located on U.S. Route 33 just east of the Harrisonburg municipal boundary, contain

¹² Population and Labor Force Data, 1979.

¹³ Rockingham Exhibits, Exh. 69.

collectively over 585,000 square feet of retail floor space and are estimated to generate approximately 50% of the retail sales volume of the entire area sought for annexation.¹⁴ (The Commission has been unable to obtain authoritative estimates of the retail sales activity generated by the two complexes adjacent to U.S. Route 33 east of Harrisonburg.) Regardless of what estimate is accepted, it is clear that the first three-quarters of a mile east of Harrisonburg adjacent to U.S. Route 33 has recently become a major source of revenue for Rockingham County.

In addition to its commercial resources, the area proposed for annexation also includes significant industrial development. The Pleasant Valley industrial area located south of the City and east of Interstate 81 is estimated to contain one-fourth of the approximate 4300 nonagricultural jobs in the area proposed for annexation. In terms of the industrial and commercial significance of the area proposed for annexation, it should be noted that the nonagricultural jobs located in that area comprise 28.65% of the County's total nonfarm employment.¹⁵

The area proposed for annexation includes several major educational facilities. Eastern Mennonite College, which had an enrollment of 1,005 students in 1978, is located in the Park View section just northwest of the City of Harrisonburg. In addition, James Madison University has expanded its facilities outside the City's limits in the southeast.¹⁶ Further, the County owns and operates the Pleasant Valley Elementary School located along Virginia Route 679 south of the City and during the current academic year serves an enrollment of 680 students at that facility. Finally, the City and the County jointly fund and operate a vocational-technical education center adjacent to the elementary school.

14 Background for Planning in the City of Harrisonburg, 1980, p. 26.

15 Population and Labor Force Data, 1979.

16 Dr. R. E. Carrier, President, James Madison University, telephone communication with staff of the Commission on Local Government, Feb. 2, 1981.

As of 1980 the average density of the area proposed for annexation was 365 persons per square miles as compared with the County's overall density of 65 persons per square mile.¹⁷ An examination of a land use map of the area proposed for annexation indicates that a majority of the area's population resides in residential subdivisions or multi-family developments located in the Park View section northwest of the City or along Port Republic Road (Virginia Route 659) to the south. Further, the area also contains approximately 328 mobile homes which are located, for the most part, in mobile home parks.¹⁸ It is important to note that mobile homes constitute a significant source of housing in the area proposed for annexation.

The land use patterns of the area proposed for annexation indicate that 36% of the area's acreage is developed, while the remaining 64% of the land area, approximately 5,800 acres, is vacant or in agricultural use.¹⁹ Testimony before the Commission revealed that approximately 4,000 acres of that total were classified as agricultural.²⁰ Most of this agricultural land was reported to be in large tracts to the south of Virginia Route 42 and west of the present City limits.²¹

17 Rockingham County's 1980 overall density, excluding land in the federal preserves, was 97 persons per square mile. In calculating this density figure it was not possible to exclude the population residing within the federal preserves since that statistic was not available.

18 Data provided by Carter Glass, IV, Counsel for the City of Harrisonburg, letter to staff of the Commission on Local Government, Jan. 6, 1981.

19 Data provided by Myron C. Smith, Counsel for Rockingham County, letter to staff of the Commission on Local Government, Dec. 30, 1980. It should be noted that the County's land use figures for the area proposed for annexation differ from those submitted by the City in Exh. 12. This is a result of a variance in methodology. Wherever possible, the Commission will use the County's land use figures.

20 William C. Overman, expert witness for Rockingham County, stated that the agricultural properties in the area proposed for annexation totaled 4,000 acres. [See Hearing Held before the Commission on Local Government for the Commonwealth of Virginia (hereinafter cited as Hearing) Vol. 4, p. 112.]

21 The location of the agricultural areas was determined from Map H-8 of the area proposed for annexation filed with the Commission by the City of Harrisonburg.

Finally, the area proposed for annexation contains during the current academic year 525 students in average daily membership (ADM) who are attending County public schools.²² In addition, there are approximately 85 students residing in the area presently attending City schools, and a considerable but undetermined number of students attending non-public schools.²³ The incidence of students in the area proposed for annexation attending non-public schools is suggested by the fact that the number of students from the area attending County schools (525 in ADM) constitutes only 60% of the area's school age population.²⁴

Standards and Factors for Annexation

The standards and factors by which municipal annexations are to be evaluated in this State are set forth principally in Section 15.1-1041 of the Code of Virginia. This section of law directs an annexation court, and now the Commission on Local Government, to determine "the necessity for and expediency of annexation." Section 15.1-1041 requires the reviewing entity to consider "the best interest of the people of the county and the city ... , services to be rendered and needs of the people of the area proposed to be annexed, the best interests of the people in the remaining portion of the county and the best interests of the State in promoting strong and viable units of governments" in determining such "necessity" and "expediency." Finally, Section 15.1-1041 specifies a number of public service functions, fiscal concerns, and community to interest issues which are to be evaluated in considering the best interests of the parties and the State. Since

22 Rockingham Exhibits, Exh. 69.

23 Memorandum by the City of Harrisonburg in Support of Its Petition to Annex Territory within the County of Rockingham (hereinafter cited as Harrisonburg Memorandum), Dec. 1980, p. 38.

24 Rockingham Exhibits, Exh. 69. The term "school age population" legally signifies all children between the ages of 5 and 19 as well as handicapped children aged 2, 3, 4, 20 and 21.

the City of Harrisonburg will be foreclosed under Virginia law from initiating any subsequent annexation for a decade following the termination of this proceeding, an analysis of this annexation must involve more than an appraisal of current circumstances and conditions. It is the opinion of the Commission that its recommendations with respect to this, or any other annexation, must rest, in large part, upon a reasonable projection of relevant circumstances and conditions. The following sections of this report constitute the Commission's analysis of these elements.

Interests of the People of the City

Land for Development. It is evident to this Commission that the City of Harrisonburg has a need for additional land for commercial and industrial development. Existing land use data for the City of Harrisonburg reveal that there are approximately 1005 acres of vacant land within the current boundaries of the City. Evidence was offered by City witnesses to the effect that 34% of this vacant land was subject to environmental restrictions which limited the land's utility or increased the cost of its development.²⁵ In addition, some of the City's currently vacant land is zoned for appropriate uses other than commercial and industrial activity.

Modern day industrial and commercial developments often require large tracts of land to accommodate the principal structures, the ancillary facilities, and requisite parking. Further, developers of commercial enterprises and new industrial plants seek access to transportation facilities such as arterial roads and interstate highways. Railroad sidings play an important role in the locational decisions of specific industries, but their importance has diminished

²⁵ Harrisonburg Exhibits, Exh. 11.

since the 1950's. The evidence presented to the Commission indicates that there are few large tracts of land zoned for commercial or industrial uses in the City, and those tracts which are available are generally poorly located in relation to arterial and interstate roads or rail lines. In the judgment of the Commission, the City presently possesses few prime industrial sites which could be proffered to potential developers.

The area of Rockingham County proposed for annexation contains a number of excellent sites for future commercial and industrial development. These sites offer access or exposure to arterial and interstate highways, and some have frontage on rail lines. As testimony to the competitive superiority of the sites in the area proposed for annexation, it should be noted that all of the major industrial growth in the Harrisonburg-Rockingham County area within the last ten years has occurred beyond the City's boundaries.²⁶ The evidence suggests to the Commission that the City of Harrisonburg will remain at a serious disadvantage in both attracting and retaining commercial and industrial activity if it is unable to increase its supply of suitable sites for such development.

The proposed annexation, if granted in its entirety, would bring into the City approximately 5,800 acres of vacant or agricultural land. Assuming that this land is subject to environmental restrictions in the same proportion as that within the City, the proposed annexation would give the City approximately 3,800 acres of land suitable for development. Clearly, the proposed annexation could provide the City with needed land for industrial and commercial growth.

26 Testimony of Marvin B. Milam, City Manager, City of Harrisonburg, Hearing, Vol. 1, p. 191. Excluding from consideration the land for development brought into the City by means of the uncontested annexations in 1965 and 1970, the evidence indicates that the City has experienced virtually no industrial growth for nearly two decades.

Need to Expand Tax Resources. The evidence presented to the Commission reveals a present and growing need for the City of Harrisonburg to expand its tax resources. An examination of the trends in the region's sales tax revenues suggests an erosion of the retail sector of the City's economy. According to data published by the State Department of Taxation, the average annual increase in the value of taxable sales in the City from 1975 to 1979 was 8.43%. The comparable figure for the County of Rockingham was 18.24%. Further, in terms of per capita taxable sales, the average annual increase between 1975 and 1979 for the City was 5.29%, while the comparable figure for the County was 16.05%.²⁷ Thus, in terms of overall percentage growth and per capita yield, the County's sales tax revenues have increased at a rate several times that of the City.

Moreover, the impact of Valley Mall is not fully reflected in the percentages presented above. This shopping area, which contains approximately 500,000 square feet of retail space, was not opened until the fall of 1978.²⁸ Nine businesses, including the major stores of J. C. Penney and Leggett, closed their facilities in the City of Harrisonburg and moved their operations to the new mall. A comparison of total taxable sales for the first three quarters of 1980 with the same period in 1979, when the Valley Mall was in operation, indicates a growth in such sales of 16.98% in the County and only 2.86% in the City.²⁹

27 Virginia Department of Taxation, Taxable Sales, Annual Reports, 1975-1979.

28 The Valley Mall is said to contain approximately 40% of all retail space available collectively in the major shopping areas in the Harrisonburg area. (C. B. Robertson Associates, Inc., Revised Economic and Market Analysis Study CBD Revitalization in Harrisonburg, Virginia, June, 1980, p. 29.)

The need for the City to expand its tax base is also supported by the fact that not a single new manufacturing enterprise has located within the City of Harrisonburg during the past ten years. During that span of years the number of manufacturing jobs within the City, as stated previously, decreased by 6%. It is significant to note that with the exception of the two manufacturing concerns brought into the City by uncontested annexations in 1965 and 1970, the City has experienced no new manufacturing or industrial development for nearly twenty years.³⁰

While the Commission recognizes that the City of Harrisonburg remains today a viable and vibrant municipality, it is cognizant, however, of the erosion of the retail sector of the City's economy and its stagnating industrial base. It is the opinion of the Commission that a failure to address those concerns will in time threaten the viability of the City, which, in turn, will have detrimental consequences for the region as a whole.

Need to Control Access to the City. The area sought for annexation by the City of Harrisonburg contains major arterial and interstate highways. These roads constitute entrances to the City and should, to the extent other considerations allow, be subject to the City's development standards and procedures. These areas are subject to intensive pressures for development, the nature of which can have pervasive consequences potentially affecting broad areas. It is the Commission's recommendation that the City's need to control major access points at its corporate limits be recognized in any annexation award.

30 The two City annexations in 1965 and 1970 were instituted by petition of the County. The two industries which currently occupy the annexed sites employ a total of approximately 1,000 persons.

Interests of the People of the Area Proposed for Annexation

Need for Urban Services. On the basis of its tour of the area proposed for annexation, and on the basis of exhibits and testimony which it received, it is clear to the Commission that there exists a need for additional urban services within the area proposed for annexation. This need varies, obviously, in nature and intensity throughout the area. The City has included in its petition for annexation areas which are presently agricultural, or otherwise vacant, and which do not currently require the services essential to urbanizing areas. The overall average density throughout the area proposed for annexation, as stated previously, is currently calculated to be 365 persons per square mile. The density of this area is more than three times the density of the County generally, even excluding the extensive federal preserves.³¹ Contained within the area proposed for annexation, as noted earlier, is urban-type development such as residential subdivisions on lots as small as one-half acre, multi-family apartment complexes, a major shopping mall, other commercial activities, and industrial enterprise. It should be noted that this urban development is located in an almost continuous land use pattern adjacent to the City along Port Republic Road (Virginia Route 659), U.S. Route 33 to the east, and northwest of the City in the Park View area. Other parts of the area proposed for annexation have not experienced the same intensity of development and are of lesser population density.³²

31 Rockingham Exhibits, Exh. 64 and 69. The 1980 overall density in the County was 65 persons per square mile. Excluding the land areas in the federal preserves the County's density would be 97 persons per square mile.

32 Harrisonburg Exhibits, Exh. H-8 and H-9; and Rockingham Exhibits, Exh. 67.

It is evident to the Commission that the majority of the area proposed for annexation will continue to grow and urbanize, with the need for urban services increasing accordingly. The major arterial roads and highways which serve the area and the general accessibility of water and sewerage facilities will foster continued development.

Community of Interest. Related to the issue of the needs of the people of the area proposed for annexation is the question of the community of interest which exists between that area and the City, as well as the interests which bind that area to the remaining portion of the County. In the Commission's judgment, there is a strong community of interest between the City of Harrisonburg and the general area it seeks to annex. The City has within its boundaries a variety of local, State, and federal offices, regional bank headquarters and branches, numerous churches, recreational facilities, and a large medical complex which serve not only the residents of Harrisonburg, but the areas beyond. The City is clearly the regional center of governmental activity, legal proceedings, financial transactions, wholesale trade, and other social and economic enterprise.³³ The City also contains within its boundaries, for the most part, James Madison University. This University, which has a 1980 enrollment of 8,817, offers educational, cultural, and athletic opportunities for residents of the region.

In terms of the economic interrelationship between the City and residents in adjacent areas, a 1980 survey of 300 families residing in the City's trade area indicated that Harrisonburg was the preferred shopping location for groceries, large appliances, home furnishings, and hardware.³⁴ Further,

33 Harrisonburg-Rockingham Chamber of Commerce, Harrisonburg and Rockingham County, Virginia; Background for Planning in the City of Harrisonburg; and Revised Economic and Market Analysis Study CBD Revitalization in Harrisonburg, Virginia.

34 Revised Economic and Market Analysis Study CBD Revitalization in Harrisonburg, Virginia, pp. 32, 37.

employment data indicate that 49% of the total number of jobs in the combined Harrisonburg-Rockingham County area are located within the City.³⁵ It is evident from this statistic that the City of Harrisonburg is the site of employment of thousands of persons living beyond its boundaries. Furthermore, the 1970 U.S. Census of Population reported commuting patterns which disclosed that 4,183 Rockingham County residents worked in the City of Harrisonburg.³⁶ While the 1970 Bureau of the Census statistic has certainly been subject to modification during the past decade, the recent survey of County residents cited above indicates that the City continues to be a site of significant employment opportunity for County residents. This survey disclosed that 43% of the County residents surveyed worked in the City of Harrisonburg.³⁷

There are other indices which suggest a strong community of interest between the City and the general area proposed for annexation. Significant portions of the area proposed for annexation are currently served by City water, sewer, and electrical lines. Evidence submitted to the Commission indicates that the City is presently serving in the area proposed for annexation approximately 475 County connections with water services and 954 County connections with electricity.³⁸

35 Population and Labor Force Data, 1979.

36 U.S. Department of Commerce, Bureau of the Census, Census of Population: 1970 (unpublished data); and Virginia Department of Planning and Budget, Data Summary, Rockingham County and Harrisonburg City, 1976, p. 24. It should be noted that approximately 1,160 Harrisonburg residents were employed in Rockingham County in 1970.

37 Revised Economic and Market Analysis Study CBD Revitalization in Harrisonburg, Virginia, p. 20.

38 Testimony of John B. Steadman, expert witness for the City of Harrisonburg, Hearing, Vol. 2, p. 105; and data provided by Carter Glass, IV, Counsel for the City of Harrisonburg, letter to staff of the Commission on Local Government, Jan. 14, 1981.

Further, evidence indicates that a significant number of County residents utilize the recreational facilities and programs provided by the City. This fact suggests a similarity of recreational needs and interests between the City and County residents in areas adjacent to the City.³⁹ Finally, it should be noted that a number of commercial and industrial concerns located in the area proposed for annexation have their properties connected to City police and fire facilities by means of electronic burglar and fire alarms.⁴⁰ These County businesses have a distinct interest in the public safety services offered by the City.

In sum, it is clear to the Commission that on the basis of the number of regional facilities located in the City of Harrisonburg, shopping and employment patterns, and a similarity of service needs there exists a strong community of interest between the City and the general area it proposes to annex.

The Commission has noted the community of interest which exists between the area proposed for annexation and the remaining portion of the County. It is cognizant of the fiscal significance of the area to the County as a whole and of the area's financial support of County programs and activities generally.⁴¹

39 Harrisonburg Memorandum, p. 10; and data provided by Carter Glass, IV, Counsel for the City of Harrisonburg, letter to staff of the Commission on Local Government, Jan. 14, 1981

40 Testimony of Milam, Hearing, Vol. 1, p. 136.

41 Data submitted to the Commission indicate that the area proposed for annexation presently contains 14.11% of the County's total local assessables and produced 65.46% of the County's 1980 estimated sales tax receipts. (Rockingham Exhibits, Exh. 69.)

Further, the Commission recognizes that the agricultural segments of the area proposed for annexation are certainly more closely aligned with the remaining portion of the County than with the City in terms of service needs and interests. The Commission recognizes, however, that the extension of utilities into these agricultural areas will result in pressure for development and in an increased need for urban services.

In addition, there are several major County facilities in the area proposed for annexation which do tie that area to the remaining portion of the County. The Commission notes that the County water well, now under development south of Harrisonburg, and the accompanying water storage tank are intended to serve, at least in part, the needs of County residents beyond the area proposed for annexation.⁴² Similarly, the County's Pleasant Valley Elementary School serves a student body which is comprised largely (70%) of students who reside beyond the area proposed for annexation. These major facilities do link, in some measure, the interests of the area to portions of the remaining County territory.

Based upon its consideration of the materials and testimony submitted to it, the Commission concludes that the community of interest between major portions of the area proposed for annexation and the City is substantially greater than the community of interests between such areas and the remaining portions of the County.

42 The well has been pump tested at 950,000 gallons per day and is designed to serve the Town of Dayton and County growth in the U.S. Route 11 area south of Harrisonburg. (Testimony of William G. O'Brien, County Administrator, County of Rockingham, Hearing, Vol. 3, pp. 150-153.) The Town of Dayton currently obtains its water from Silver Lake which is owned by the City of Harrisonburg. The Commission has been advised by State Department of Health personnel that Dayton's present water supply is sufficient for its needs, but that the Town has need of the storage capacity which will be provided by the new tank. (Bowling K. Hughes, Engineer, State Department of Health, telephone communication with staff of the Commission on Local Government, Feb. 10, 1981.)

Service Capabilities of the City and County. Having determined that the area proposed for annexation is, in large part, subject to extensive urban development, the Commission is next confronted with the question as to which political subdivision, the City or the County, is best able and suited to meet the service needs of the area. The evidence submitted to the Commission indicates that the City has long been a provider of an extensive array of urban services. The City's present commitment to urban service delivery is reflected in the fact that during fiscal year 1978-79 approximately 53% of its total operating expenditures was devoted to non-educational programs. The comparable figure for the same year for Rockingham County was less than 25%.⁴³ It is the Commission's judgment that the City, for the reasons set forth below, is the appropriate entity to bear responsibility for the provision of urban services in the area proposed for annexation.

The City of Harrisonburg has been involved in sewage collection and treatment since the early 1900's. It has worked over the years to build and maintain a system to meet the sewerage needs of its residents, and to some degree, the needs of residents and businesses beyond its boundaries. The City also provided critical leadership in the creation of the Harrisonburg-Rockingham Regional Sewer Authority (HRRSA) in the early 1970's. Through the use of its full faith and credit, the City secured operating loans for the HRRSA which enabled the Authority to finance the early stages of the planning and construction of the regional sewage treatment plant. In order for the City to be able to serve the area proposed for annexation, the HRRSA will be required to expand

⁴³ Auditor of Public Accounts, Report of Auditor of Public Accounts of the Commonwealth of Virginia on Comparative Cost of City Government, 1980, Exhibits A-3, A-4e, A-5, and A-6; and Report of Auditor of Public Accounts of the Commonwealth of Virginia on Comparative Cost of County Government, 1980, Exhibits A-3, A-5, A-6, and B-1.

the treatment capacity of its plant from 8 million gallons per day (MGD) to 12 MGD. The Commission has been advised by officials of the State Water Control Board that the plant can accommodate the increase in capacity without any additional capital costs.⁴⁴ Further, the City has embarked on a program to eliminate groundwater infiltration and stormwater inflow into its sewage lines. This program will have the effect of decreasing the current flow from City lines into the HRRSA plant, thereby increasing further the actual sewage which may be collected by the City for treatment at the regional facility. It is significant to note that the City presently provides sewage collection service to the Forest Hills, Fairway Hills, and Hillandale Park areas which are located within the portion of the County sought for annexation. Residents of these areas, and other County residents served by City sewage interceptor lines, should be eligible for a significant reduction in their utility rates if annexation ultimately brings them within the City's boundaries.⁴⁵

The County of Rockingham has made an effort since the mid-1970's to meet the sewerage needs of the area now proposed for annexation. The County did not take an active leadership role in the formation of the HRRSA, but it has since provided loans for operational purposes, extended a cash contribution for its

44 LaVern H. Corkran and Samuel S. Waldo, Bureau of Applied Technology, State Water Control Board, Richmond, Virginia; and Larry M. Simmons, Valley Regional Office, State Water Control Board. These officials advise that the increase in hydraulic capacity can be accomplished merely by accelerating and modifying the treatment process. By increasing the capacity of the plant to 12 MGD the allocation available to the City of Harrisonburg and the Towns of Dayton and Bridgewater would be increased to 8.88 MGD. Of the three municipal jurisdictions, the City has the largest share of the allocation in the HRRSA plant.

45 Section 7-4-1, Harrisonburg City Code.

allocation of capacity in the treatment plant, and participated with the City in the joint funding of two authority interceptor lines located in the area proposed for annexation. The County presently has unutilized capacity at the HRRSA treatment plant, but extensive growth in the County could consume that allocation.⁴⁶ Currently most of the County's sewer connections are served by City interceptor lines, rather than those owned by the HRRSA. This fact means that the County's expansion of sewerage service in these areas is dependent upon the availability and capacity of City interceptor lines. Annexation of such areas would remove such interjurisdictional dependency.

It is apparent to the Commission that the City of Harrisonburg has an excellent and well-planned water system which can readily meet the present and prospective needs of the area proposed for annexation. The City owns raw water sources on the Dry and North Rivers with an aggregate average daily flow of 276.3 million gallons. Moreover, the City has access to the South Fork of the Shenandoah River, which can serve as a supplemental future water source.⁴⁷

The City's water treatment plant is currently functioning with a capacity of 7.6 MGD, while the City's current need for water is approximately 3 MGD. Thus, the City is presently consuming treated water at only 39% of its treatment capacity. If the proposed annexation is granted in its entirety, it is estimated that the water needs of the enlarged City would rise to approximately 3.3 MGD, or 43% of capacity. It should also be noted that the City is currently constructing a

46 The County's investment in the HRRSA plant entitles it to 26% of the plant's capacity, or 2.08 MGD. An estimate of the County's sewage flow during the fall of 1980 was 400,000 gallons per day, or less than 20% of its allocation. (Testimony of O'Brien, Hearing, Vol. 3, p. 144.)

47 Harrisonburg Exhibits, Exh. 14-L. The City owns 27.7 acres at Island Ford on the South Fork of the Shenandoah River.

water storage tank, which, when completed, will enable the City to store water sufficient to meet its needs for a period of 7.3 days.⁴⁸

The Commission was presented with evidence, however, suggesting that the City's water system suffered from an inordinate loss of treated water. On the basis of its investigation the Commission has not been able to resolve this issue to its satisfaction. The Commission, however, is satisfied that the City of Harrisonburg is capable of meeting the current and prospective water needs both within its present corporate boundaries and within the area proposed for annexation.⁴⁹

More significantly, the City presently represents the only supplier of treated water in the Harrisonburg area.⁵⁰ Any development in the area which requires a treated, central water supply must ultimately depend upon the City of Harrisonburg for that service. Finally, as noted previously, County residents presently utilizing City utility services can anticipate a significant reduction in their utility rates upon annexation into the City.

48 City of Harrisonburg, "Pertinent Data on City of Harrisonburg, Va. Water System Estimated 1990 and Year 2000 Demands," mimeographed table submitted to the Commission on Local Government, Dec. 10, 1980. The City has received preliminary authorization from the State Department of Health to operate its water treatment plant at 7.6 MGD and is currently awaiting final disposition of its permit application. (Jesse D. Mayhew, Water Supply Engineer, State Department of Health, Lexington Regional Office, Jan. 7, 1981.)

49 The Commission has investigated the matter of the high loss of water in the City's system and, after discussions with the Bureau of Water Supply Engineering, State Department of Health and two professional engineers familiar with municipal water systems, has been unable to resolve this issue to its satisfaction. It is noted, however, that the City's calculations on estimated 1990 and 2000 water system demands include a 25% loss rate factor. Since the loss of treated water is taken into consideration as part of future demand, the Commission is satisfied that the City can meet the water supply needs of the area proposed for annexation.

50 Harrisonburg Exhibits, Exh. 14-L, H-19, H-21, and 28.

The Commission is aware of the fact that since 1975 the County has made a concerted effort to provide water service in the area proposed for annexation. The County's efforts have been primarily directed toward the purchase of existing water distribution systems, the installation of water lines, and the construction of storage facilities.⁵¹ The County has recently begun to develop its own water source by drilling a well on County property in the Pleasant Valley area. This well will be connected to a storage tank, and ultimately to the Town of Dayton's water system, by a 12-inch line which is currently being laid. From the Commission's investigation there appears to be no significant obstacle preventing the County from receiving a State permit authorizing the use of the well as a public water source.⁵² Thus, this well could provide the County with a water source which could serve the southwestern section of the area proposed for annexation.

The collection and disposal of solid waste is a service vital to the health and well-being of urban areas. The City of Harrisonburg maintains a system of solid waste collection and disposal which provides residential collection twice

51 Rockingham Exhibits, Exh. 43; testimony of O'Brien, Hearing, Vol. 3, pp. 142 ff; and County of Rockingham, "County of Rockingham Answers to the City of Harrisonburg's Second Interrogatories," Dec. 2., 1980, Questions 25-56.

52 The Commission investigated the concern that groundwater contamination in the vicinity of the County's well would render the well unusable as a public water source. The Commission was advised that any contamination in the area was inconsequential, was of limited duration, and was the result of a fuel oil leak. The County was generally reported to have excellent groundwater resources. (Kenneth R. Hinkle, Groundwater Geologist, State Water Control Board, Valley Regional Office, communication with staff of the Commission on Local Government, Dec. 17, 1980.)

weekly and commercial collection daily. The City also collects leaves and brush periodically. While the City's current landfill, located in the area proposed for annexation, is nearing capacity, Harrisonburg is presently pursuing an innovative approach to solid waste disposal which involves the burning of waste for the production of energy. The City's current plans call for the sale of energy produced by the system to James Madison University.⁵³

The County of Rockingham, on the other hand, does not presently provide nor require the collection of solid waste from either residential or commercial properties, nor does it schedule the periodic collection of leaves and brush. County residents presently contract for the private collection of solid waste, transport such material to the one County landfill, or dispose of their refuse by other means. In the Commission's judgment the area proposed for annexation would benefit from the City's solid waste collection and disposal services.

A service which is of utmost significance in any area, but particularly vital in urban communities and industrial areas, is fire prevention and protection. It is the Commission's conclusion that the fire prevention and protection services offered by the City are superior to those offered by the County and are needed in the area proposed for annexation. The City's fire department is served by fifteen full-time professional personnel and is actively involved not only in fire suppression, but fire prevention and arson investigation as well. Further, the City's fire department maintains an active

53 Testimony of Milam, Hearing, Vol. 1, pp. 140, 141.

training program and is presently involved in developing a fire training center.⁵⁴ Testimony presented to the Commission indicates that the average fire response time in the City is three minutes and that the City's fire department will maintain that quality of service if the proposed annexation is granted.⁵⁵ The City's fire department currently has available six major pieces of fire fighting equipment, including two aerial ladder trucks. Finally, it should be noted that some of the properties in the area proposed for annexation should realize a reduction in fire insurance premiums upon annexation by the City. The Commission has been advised that the Insurance Services Office of Virginia has determined that properties within the City's boundaries are a better risk than those beyond its corporate limits because of the City's superior fire protection services and support facilities.⁵⁶

The County of Rockingham presently provides fire protection service in the area proposed for annexation by means of Hose Company Number 4, a fire suppression unit located within the limits of the City of Harrisonburg. This unit is comprised of volunteer firefighters supplemented by one full-time, paid firefighter. The County has announced plans to hire three additional firefighters

54 Harrisonburg Exhibits, Exh. 14-D and 17. The City's fire suppression force is supplemented with two volunteer fire companies with a total complement of 40 volunteers. Harrisonburg has expended \$17,850 through 1980 in the development of a permanent fire training facility.

55 Harrisonburg Exhibits, Exh. 14-D; and testimony of Milam, Hearing, Vol. 1, p. 127. The Virginia State Fire Services Commission considers responses between two and four minutes to be acceptable.

56 The records of the Insurance Services Office of Virginia rate no area in that portion of the County proposed for annexation less than "9," while the entire area of the City is rated "5." (The lower the number of the rating, the better the fire insurance rating.) The difference in these ratings is sufficient to result in different rates for fire insurance, with City properties benefitting from lower premiums. (Jerry D. Vance, Insurance Services Office of Virginia, Feb. 10, 1981.)

in order to improve response time in the area proposed for annexation.⁵⁷ The County's fire protection service in the area is, however, augmented by City equipment and personnel under a mutual aid agreement.

Another public service vital to the safety and well-being of a community is crime prevention and detection. Again, on the basis of evidence submitted to it, the Commission has concluded that the City is best suited to provide these services in the area proposed for annexation. The City's police department currently has a total staff of 46 employees, including school crossing guards and several administrative personnel. The department presently has a ratio of one sworn law enforcement officer for each 657 residents of the City.⁵⁸

Crime prevention and detection services in the area proposed for annexation, and throughout Rockingham County generally, are currently the responsibility of the County's Sheriff's department. This department, which provides some nonlaw enforcement services within the City of Harrisonburg, presently has a total staff of 40 employees, with one sworn officer for each 2,245 County residents, exclusive of persons residing within the boundaries of the seven incorporated towns.⁵⁹ Six deputies are assigned to each shift by the Sheriff's department, with each individual deputy having the responsibility of serving 97

57 Testimony of O'Brien, Hearing, Vol. 3, p. 159. The County also contributes \$13,500 per year from its general fund to assist the operations of Hose Company Number 4. (Rockingham Exhibits, Exh. 56.)

58 Harrisonburg Exhibits, Exh. 14-E.

59 Rockingham Exhibits, Exh. 38.

square miles. Law enforcement activities in the County are assisted, however, by 15 town police officers and 16 members of the State Police.⁶⁰ It is significant to note that data provided by the Sheriff's department indicate that one of the sectors of the County with the highest incidence of reported crime is that encompassing the area proposed for annexation. The data indicate that approximately 28% of all crime reported in Rockingham County during 1979 occurred in that sector of the County embracing the area proposed for annexation.⁶¹ Again, in the Commission's judgment, the areas adjacent to the City of Harrisonburg need the intensified law enforcement services which can be provided through the City's police department.

The City of Harrisonburg maintains an extensive and varied public recreational program. The City, which initiated its program in the 1940's, has acquired and developed approximately 225 acres of land for the recreational interests of its residents. The City's recreation department conducts its activities with 27 full-time and 38 part-time employees, and the City's budget for the current fiscal year calls for expenditures for recreational activities totaling \$450,000.⁶²

The County of Rockingham's recreational program involves a cooperative effort with its towns, numerous civic groups, and the County's schools. In

60 Rockingham Exhibits, Exh. 38 and 69. The calculation of a service area of 97 square miles per deputy is based upon the fact that only six deputies are available during a shift to cover the land area in the County outside the incorporated towns and the federal preserves.

61 Data provided by Myron C. Smith, Counsel for Rockingham County, letter to staff of Commission on Local Government, Jan. 6, 1981.

62 Harrisonburg Exhibits, Exh. 14-B and 43.

1972 a master plan for recreation was developed for the County by a consultant; however, few of the substantive recommendations of the plan have been implemented to date.⁶³ Currently, the County itself owns only two parks totaling five acres of land. The County's recreation budget for the present fiscal year is \$178,800.⁶⁴ It is significant to the Commission that, based upon exhibits submitted by the County, only one small County park and two schools appear to offer readily accessible recreational opportunities to residents of the area proposed for annexation.⁶⁵ Further, the Commission has been advised that many County residents utilize City facilities for recreation. It is the Commission's view that in contemporary urban society recreational activities and parks have become more than amenities of life, but elements vital to the urban setting. The Commission finds that the recreational needs of the urban areas proposed for annexation will best be met by the City of Harrisonburg.

The City of Harrisonburg has a comprehensive program for the provision of curbs, gutters, and street lights within its boundaries. In areas where such facilities are not provided by developers, the City has a policy of constructing the curbs and gutters and, through the Harrisonburg Electrical Commission, installing street lights at public expense.⁶⁶ The Commission was

63 Rockingham Exhibits, Exh. 92; and data provided by Myron C. Smith, letter to staff of the Commission on Local Government, Jan. 6, 1981.

64 Rockingham County Budget, Fiscal Year 1980-81.

65 Rockingham Exhibits, Exh. 41.

66 Testimony of Charles H. Barnes, Jr., expert witness for the City of Harrisonburg, Hearing, Vol. 2, pp. 251, 263-266, .

advised that approximately 90% of the City's streets have curbs and gutters and that a majority of Harrisonburg's residential and commercial areas are served by street lights.⁶⁷

Rockingham County, in contrast, does not have a policy of providing curbs, gutters, and street lights. To the extent which those facilities exist in the County, they exist by choice of developers and individual property owners. Curbs and gutters are important implements in stormwater management, and street lighting can be a factor in crime prevention and in the reduction of automobile-related accidents. It is the view of the Commission that the urbanized areas proposed for annexation would be beneficially served by the increased use of curbs, gutters, and street lights and that as development in such areas intensifies, the need for such facilities will grow. The City's policies with respect to these facilities is appropriate for the urbanizing areas proposed for annexation.

A major concern in developing areas is the quality of the construction and maintenance of streets and roads. The City of Harrisonburg builds and maintains its streets and non-Primary roads, with the City's public works department performing much of this work. While the City receives construction and road maintenance funds from the State, it supplements these funds with locally produced revenues.⁶⁸ The County of Rockingham relies entirely on the

67 Harrisonburg Exhibits, Exh. H-16; and testimony of Barnes, Hearing, Vol. 2, pp. 251, 259-261.

68 Harrisonburg Exhibits, Exh. 52. In fiscal year 1979-80 the City expended \$650,922 for operating and capital costs associated with street construction, inspection, repair, and maintenance and received \$358,663 from the State for street and road purposes.

State Department of Highways and Transportation and private developers for road construction and maintenance and does not contribute any locally produced revenue for such activity. From the perspective of this Commission, the area proposed for annexation would benefit from the City's ability to plan and administer locally the construction and maintenance of the area's thoroughfares.

The Commission has noted that there are two other significant services offered by the City of Harrisonburg to its residents which are not provided by the County government. First, the City has made a major commitment to addressing the housing concerns of its low and moderate income residents. In 1955 the City of Harrisonburg established a public housing authority and five years thereafter offered its first units for occupancy. With the 1980 addition of 256 units, the City's housing program now provides 618 housing units for the elderly, the handicapped, and low and moderate income families.⁶⁹

The evidence does suggest that there are housing concerns in the County which apparently are not being met. Testimony given the Commission indicates that of 522 applicants for assisted housing in the City of Harrisonburg, 198, or 37.9%, were County residents at the time of application.⁷⁰ Further, according to the Virginia Office of Housing there were an estimated 2,795 households (primarily elderly) in Rockingham County in need of housing assistance.⁷¹ It should be noted that there are assisted housing programs in the County,

69 Harrisonburg Exhibits, Exh. 15.

70 Testimony of Barnes, Hearing, Vol. 2, pp 230-33.

71 Presnell-Kidd Associates, Virginia Housing Needs Assessment, 1977, p. 98. Of the 2,795 households in the County determined to be in need of housing assistance in 1980, 54.38% were classified as "elderly" and 14.67% were termed "large family."

but these programs exist by virtue of private initiative, are limited in scope, and fail to address the broad spectrum of housing concerns.

As further evidence of the City's interest in housing, the City adopted a housing maintenance code in 1959 designed to prevent the neglect and deterioration of its housing stock. As of this date, Harrisonburg remains one of only approximately 40 Virginia localities to adopt such a code.

A second service provided by the City to its residents which is not available in the County is public transportation. The City's public transportation system contains three elements: a fix-route bus system currently transporting 150 to 200 persons a day, special vans for the elderly and handicapped, and a demand-responsive taxi system which provides service throughout the region as a whole. The City also provides student transportation through its public transportation department at minimal cost to students. While the City's public transportation system is subsidized in part with State and federal funds, the City contributed approximately \$60,000 from its general fund to support the system during fiscal year 1980. Testimony received by the Commission at its public hearing on December 10, 1980 indicates that there is a need to extend this transportation system into portions of the area proposed for annexation.⁷²

Although consideration of public schools is not specifically mentioned by Section 15.1-1041 of the Code of Virginia, the quality of local educational programs is an important factor in any jurisdictional boundary change. The Commission well understands that no statistical indices are sufficient to measure fully the quality of educational programs. Much of the quality of

72 A need for public transportation in the area proposed for annexation was expressed by three speakers at the Commission's public hearing on Dec. 10, 1980. (Hearing, Vol. 5, pp 6, 8, and 25.)

educational activity is determined by the attributes of individual teachers, their intellectual attainment, sensitivity, and character. These qualities defy quantification and statistical analysis. Thus, the Commission recognizes that it is difficult in the extreme to compare educational programs, yet consideration must be given to this issue.

A few of the salient statistical facts for the school year 1978-79 with respect to the school systems of the City of Harrisonburg and the County of Rockingham are listed below:⁷³

	<u>City of Harrisonburg</u>	<u>County of Rockingham</u>
Pupil-teacher ratio	14.1:1	17.2:1
Average class size, grades 1-3	20.5	24.43
Percent of high school graduates continuing education	71.6%	42.3%
Local expenditures per pupil for operation	\$1,188	\$604
Percent of students passing March 1979 State Competency Test	88.3%	79.8%

These statistics suggest that the educational opportunities of students in the area proposed for annexation will not be adversely affected by attendance at City schools.

It should be noted that the Commission, with the assistance of the State Department of Education, reviewed the curriculum offered at the Harrisonburg High School and that offered at Turner Ashby High School, which serves a majority of the high school students in the area proposed for annexation. While the Com-

⁷³ State Department of Education, Facing Up - 14, Statistical Data on Virginia's Public Schools 1980; Richard L. Boyer, Assistant Superintendent for Planning and Evaluation, Virginia Department of Education, telephone conversation with staff of the Commission on Local Government, Feb. 12, 1981.

mission noted distinctions in the course offerings, the variance appeared inconsequential.

It does appear to the Commission, however, that annexation would generally shorten the travel time and distances for students in the area proposed for annexation. This judgment is based on an examination of the County's school attendance zones and land use maps indicating residential concentrations.⁷⁴

The Commission has noted, further, the extent to which the facilities of the two school divisions are presently utilized. As the following table suggests, the City's schools are presently at near capacity enrollment, while the County's schools have considerable underutilized capacity:⁷⁵

	<u>Capacity</u>	<u>Enrollment</u>	<u>Mobile Classrooms</u>
<u>City of Harrisonburg</u>			
Elementary	1,200	1,183	0
Junior High	400	385	0
Senior High	800	760	0
<u>Rockingham County</u>			
Elementary	6,340	4,851	14
Junior High/Intermediate	3,250	2,415	5
Senior High	3,301	2,729	6

⁷⁴ There are 85 students in the area proposed for annexation who attend City schools for which the City charges \$100 tuition a year, Harrisonburg Memorandum, p.38. There are also 41 City students enrolled in County schools. The County charges no tuition to educate these City students. [Brief of Rockingham County (hereinafter cited as Rockingham Brief), Dec., 1980, p. 12.] The County's policy of charging no tuition to educate City students can not be expected to apply to any agreement by which the County would continue to educate students annexed to the City as a result of this proceeding.

⁷⁵ Harrisonburg Exhibits, Exh. 14-C; and "Answers to Interrogatories by the County of Rockingham," Sept. 8, 1980, Question 2.

Annexation, if granted by the Court, will clearly present immediate spatial problems for the City's school system and add to the underutilization of County school facilities.

There are inherent problems associated with boundary changes in Virginia, and the adjustment of school division lines is a major one of them. However, the Commission, having received testimony from the Superintendents of both school systems, is satisfied that the dedication and professionalism of these officials is such that the educational needs of all the area's students will be fully met during any period of transition.

As part of its preparation to accommodate the additional students which would initially enter the City's school system as a result of the proposed annexation, the City plans to construct 20 new elementary school classrooms and a new junior high school, as well as to institute a free system of public school transportation.⁷⁶ The City's plan will require a phased implementation which will involve a temporary disruption in its junior high school program and agreement with the County for its continued education, for a limited period, of the elementary school children in the area proposed for annexation. It appears to the Commission that if the Court orders the annexation of the area encompassing the Pleasant Valley Elementary School further consideration should be given to the City's acquisition of that educational facility. The data indicate that the City's purchase of that school property would provide the City with needed classroom space, reduce the County's unused school capacity, and not adversely affect the County's system. It is the recommendation of the Commission that the parties be directed to request the State Department of Education to assist them in

⁷⁶ Harrisonburg Exhibits, Exh. 26R; and testimony of Wayne King, Superintendent of Schools, City of Harrisonburg, Hearing, Vol. 2, pp. 42-66.

determining the appropriate disposition of this school property. With this qualification, the Commission concludes that the City's plans, and the anticipated cooperation of the County, are sufficient to meet the educational concerns raised by the proposed annexation.

In summary, it is the Commission's judgment that the majority of the area proposed for annexation generally has a need for urban services, that such need will grow substantially in the years ahead, that there exists a significant community of interest which binds that general area and the City, that the urban service needs of the area would be best met by incorporation into the City, and that the City of Harrisonburg has the capability of meeting the needs of the area proposed for annexation without diminishing the quality of service presently provided its residents.

Interests of the People in the Remaining Portion of the County

The area proposed for annexation by the City of Harrisonburg is a significant source of tax revenue to Rockingham County. The 14.14 square miles in that area contain 13.75% of the County's real property tax values, 31% of its machinery and tools tax values, 44% of its merchants capital assessables, 27% of the County's total nonagricultural wage and salary employment, and yields approximately 65% of the County's sales tax revenues.⁷⁷ The loss of this area would have a significant fiscal impact on the County.

It is evident to the Commission that if the City of Harrisonburg is granted the entire award of 14.14 square miles, the County would still retain within its remaining 850.9 square miles many prime industrial sites. It is the Commission's judgment that the County will be the beneficiary of significant future

⁷⁷ Rockingham Exhibits, Exh. 69.

development. The Commission notes that there are two areas of the remaining portion of the County which are particularly well suited for industrial development, the Elkton area and the U.S. Route 11 - Interstate 81 corridor south of the area proposed for annexation.

The attractiveness and current availability of industrial sites in the Elkton area are suggested by the fact that the Virginia Division of Industrial Development presently lists in its records several sites in that area which are adjacent to sections of four-lane highway and rail lines. The Commission notes that the Town of Elkton is due to complete in 1981 an expansion of its sewage treatment plant which will facilitate future industrial development in that area.⁷⁸

A second area of Rockingham County with a high potential for future industrial development is the U.S. Route 11 - Interstate 81 corridor from the southern end of the proposed annexation boundary to the Town of Mount Crawford. This area contains a major interceptor for the Harrisonburg-Rockingham Regional Sewer Authority as well as an interchange for Interstate 81. Water service could be provided from the North River, groundwater sources, or from one of the towns in the area. While the Commission recognizes that these potential industrial sites will require capital investment to prepare them for development, they represent excellent resources which would remain in the County. It would appear, from the Commission's perspective, that the proposed annexation

78 Larry M. Simmons, State Water Control Board, Valley Regional Office, telephone communication with staff of the Commission on Local Government, Dec. 19, 1980.

could free resources previously devoted to the urban areas adjacent to Harrisonburg for use in preparing these sites for development.⁷⁹

With respect to the issue of prospective future commercial development in the County, the Commission believes that even if the entire annexation award is ultimately granted by the Court, Rockingham County would retain significant areas suitable for commercial activity. There is little doubt that the Valley Mall area, which is proposed for incorporation into the City, will attract further commercial development in the immediate future, with Harrisonburg primarily benefitting from this additional commercial activity. The Mall area generates a large volume of traffic, something complementary commercial concerns desire. Hence the present concentration of commercial enterprise in the Mall area will tend to promote additional commercial activity in that vicinity.

The Commission notes, however, that the County, if the entire award is granted, will still control major interstate and arterial "gateways" to the City. Interstate interchange 65 north of Harrisonburg and interchange 61 at Mount Carwford have considerable potential for future commercial development. Access to the City from the east along U.S. Route 33 would remain under County jurisdiction, and that area would offer prospective commercial developers a "first attempt" at shoppers and tourists entering Harrisonburg. It is important to note that a broad spectrum of commercial enterprise is not as

79 Between 1975 and 1979 approximately \$1,132,580 in federal revenue sharing funds have been spent on water and sewer projects in the area proposed for annexation, or 41% of all federal revenue sharing funds received by the County during that period. ("Answers to Second Set of Interrogatories by the County of Rockingham," Dec. 2, 1980; and Karen Speight, Virginia Coordinator, Office of Revenue Sharing, U.S. Department of the Treasury, telephone communication with staff of the Commission on Local Government, Feb. 3, 1980.)

dependent on public water and sewer as other types of development. Certain types of commercial activity can develop on the basis of road access and visibility, unrestrained by the absence of central public utilities.

The Commission recognizes the immense value to Virginia and to the nation as a whole of the agricultural product of Rockingham County. No consideration of the City's proposed annexation and its ramifications would be complete without an analysis of the prospective impact on the agricultural resources of the County. The Commission is cognizant of the approximately 4000 acres of active farmland within the area proposed for annexation by the City. The Commission is far from indifferent to the fate of that land and those who farm it. The evidence submitted to the Commission indicates that while the active farmland in question is located principally in the southwest quadrant, it is found throughout the area proposed for annexation. It is clear to the Commission, however, that this farmland will experience pressure for development regardless of the Court's ultimate disposition of the proposed annexation. The Commission is aware that farmers in Rockingham County presently are assisted by land use taxation. It will be the strong recommendation of this Commission that any property presently assessed, according to State prescribed standards and procedures, at its use value continue to be assessed on such a basis if annexed by the City.⁸⁰

80 While these properties will still be subject to the City's higher real property tax rate and more frequent reassessment, the continuation of use value taxation will certainly mitigate the impact of annexation. The Commission is advised that the City presently reassesses biennially, while the County reassesses every four years.

Further, the Commission has considered at great length the impact which the proposed annexation would have on the agricultural properties in the remaining portion of the County. The Commission has been concerned that the annexation sought by the City of Harrisonburg, if granted, would require the County to add unduly to the tax burden on agricultural properties. While these properties are eligible for land use assessment, any increase in the tax rate will have its impact on the agricultural community. The Commission's concern is mitigated by the fact that under Virginia law the City of Harrisonburg is expected, as a condition of annexation, (1) to assume "a just proportion" of the County's debt, (2) to compensate the County for the value of all public improvements owned and maintained by the County which become City property as a result of the annexation, and (3) to compensate the County for its prospective loss of net tax revenues for five years which will result from the County's loss of taxable values. The latter element alone would total \$8,048,200 if the City's calculation is accepted, or \$14,435,079 if County figures prevail.

Moreover, while the County of Rockingham will receive, in the aggregate, less State aid for public schools as a result of its loss of school age population and public school students to the City, the Commission is aware that the proposed annexation, if granted, will have the effect of having the State increase its percentage of support of the basic cost for educating each student remaining in the County's system. The percentage of a locality's basic educational costs which is borne by the State varies with the locality's relative per capita "ability to pay." For the current biennium the State is bearing 56.3% of the basic educational cost of each student in the County's system. If the proposed

annexation were granted in its entirety at this time, the State's share of the County's basic educational costs would be increased to approximately 60%, yielding in excess of \$76,000 a year in increased State assistance.⁸¹ The Commission is fully cognizant of the fact that there are major educational expenditures which are not subject to State support and which remain solely local burdens. While the adjusting mechanism in this basic school aid program certainly will not fully offset the fiscal impact of an annexation, it is a factor which can mitigate the effect of a boundary change and which merits note.

In sum, the Commission recognizes that the proposed annexation will remove from the County considerable revenue sources. However, in view of the fact that the County will retain an area in excess of 850 square miles containing a number of locations with significant potential for development, that the County will receive considerable compensation from the City to assist in its adjustment to the annexation, and that the County will be financially assisted by adjustments in at least one major State aid program, the Commission does not believe that the proposed annexation will place an undue burden on the agricultural interests remaining in the County nor pose a threat to the County's continued viability.

81 Data provided by Howell L. Gruver, Director of Management Information System Services, State Department of Education, letter to staff of the Commission on Local Government, Jan. 14, 1981. The revised percentage of State contribution to the County's basic school aid costs for the current biennium was calculated by transferring an estimate of the 1977 true property values, taxable retail sales, population, and students (ADM) in the area proposed for annexation from the County to the City. The assumption was made that per capita personal income figures were unaffected by the annexation.

Interests of the State

Clearly, the interest of the State in this annexation, and all others, is a careful analysis and reconciliation of the individual interests of the parties and the continued viability of each. The term "viability" in this context involves, from our perspective, two distinct, but interrelated concerns -- (1) the provision of services to protect the public's health, safety, and welfare and (2) the fiscal capacity to provide such services. While not all of these issues are readily susceptible to quantification and mathematical analysis, and are not always entirely free of subjective judgment, it is the unanimous view of this Commission that the interests of the State are served by an expansion of the boundaries of the City of Harrisonburg in accordance with the recommendations which follow.

Recommendations Relative to Award

For reasons set forth throughout the preceding sections of this report, the Commission recommends that the City of Harrisonburg be granted the entire area requested in its petition for annexation with the exception of the southwest quadrant of that area which has been designated by the County as Study Area No. 3.⁸² (Appendix C) It is the Commission's judgment that the City's need of land for development, its need to expand its tax base, the service needs of the area proposed for annexation, the capacity of the City to provide such services, the strong community of interest which ties that area to the City, and the current viability and growth potential of the remaining portions of the County, support the award recommended herein.

82 Rockingham Exhibits, Exh. 24.

There are several major considerations which prompt the Commission to recommend the exclusion of Study Area No. 3 from the award to the City. First, this area, which contains only 650 persons, is predominantly rural and agricultural in nature. Of the total acreage in Study Area No. 3, 1,714 acres, or approximately 80% of the total, are vacant or are devoted to agricultural use.⁸³ It is the opinion of the Commission that this largely rural area will not be needed by the City for development in the decade ahead. The Commission notes that if the remaining portions of the area proposed for annexation are awarded to the City of Harrisonburg, the City would receive approximately 4,100 acres of land suitable for development. The exclusion of Study Area No. 3 would eliminate the predominant portion of the active farm land in the area proposed for annexation from the award ultimately granted the City. Such an exclusion would be consistent with the policy promulgated by the General Assembly for the protection and preservation of the State's farm land.⁸⁴

Second, the Commission notes that Study Area No. 3 differs significantly in development from that experienced in the other areas proposed for annexation. The Commission has observed that during the 18 years since the City's last annexation, this area has not experienced the significant urbanization that is evident in the other areas adjacent to the City of Harrisonburg. Study Area No. 3 does not possess the large residential subdivisions, the multi-family developments, nor the commercial and industrial concentrations found elsewhere in the area proposed for annexation. The commercial and industrial development which is

83 Letter from Myron C. Smith, Counsel for Rockingham County to staff of the Commission on Local Government on Dec. 30, 1980. Since the County's land use calculations include vacant land in the residential, commercial and industrial categories, the total amount of vacant land in Study Area No. 3 is underestimated. Whatever the figure, Study Area No. 3 is the most rural part of the area proposed for annexation.

84 Section 15.1-1507, Code of Virginia.

found in this study area is confined to the arterial and secondary roads and is superimposed upon a largely agricultural setting. It is estimated that the entire commercial and industrial activity in the area offers employment for only 250 persons, with approximately 60% of those jobs provided by three firms.⁸⁵ Thus, in the Commission's judgment, Study Area No. 3 does not presently, nor will it in the decade ahead, have need of urban services.⁸⁶

Third, while the Commission is cognizant of the significant community of interest which ties the general area proposed for annexation to the City of Harrisonburg, it notes that such interests are considerably less with respect to Study Area No. 3. First, the physical presence of the City is not as significant in this area as in others proposed for annexation. Only a few City utility lines extend into Study Area No. 3, and those which do are confined to the periphery of the area.⁸⁷ Further, 80% of this area, as indicated previously, is vacant or devoted to farming, with the latter category predominant. Clearly, the interests of this area are more closely aligned with the County than with the City and the urbanizing suburbs. The Commission also notes that the County's educational arrangements tie Study Area No. 3 to the Town of Dayton and its environs. All of the area's public school students attend schools in the Dayton vicinity.⁸⁸

Finally, the exclusion of Study Area No. 3 from the award to the City of Harrisonburg would leave a significant buffer zone between the Town of Dayton and the City of Harrisonburg. The Commission fails to see a compelling reason

85 Rockingham Exhibits, Exh. 68.

86 Harrisonburg Exhibits, Exh. H-17, H-20, H-26, and H-27.

87 Harrisonburg Exhibits, Exh. H-19 and H-22.

88 Rockingham Exhibits, Exh. 33, 35, and 17.

to extend the boundaries of the City of Harrisonburg to the corporate limits of the Town of Dayton. The Commission recommends that a buffer of unincorporated territory remain, at this time, between the two municipalities, thereby preserving options for the future. Experience may reveal that the service needs of the area east of Dayton may be more appropriately met by the Town than by the City.

In summary, the Commission's recommendation for the exclusion of Study Area No. 3 from the award to the City rests principally upon the rural and agricultural nature of that area and its community of interests with the remaining portion of the County. It is the Commission's expectation, as stated previously, that Study Area No. 3 will not experience during the forthcoming decade the development and need of urban services which will occur in the other areas proposed for annexation. Central to the Commission's recommended exclusion of this area from the award to the City is the judgment that the retention of Study Area No. 3 by the County will not necessitate the County's development of costly utility systems and the extensive provision of urban services. A major concentration of resources in Study Area No. 3 would have the effect of limiting the County's ability to meet the needs of its residents generally. It is the opinion of this Commission that if the need arises in the foreseeable future for utilities or intensified urban services in Study Area No. 3, such needs can and should be provided by an extension of City services under appropriate agreement and with the concurrence of the County.

Consistent with our concern that Rockingham County not be confronted with the provision of costly utility service in Study Area No. 3, to the

detriment of its residents generally, the Commission recommends that the Court direct the City to acquire from the County the well and all appurtenances and lines connecting that facility to the Town of Dayton, as well as the County's financial interest in any HRRSA sewer interceptors located in Study Area No. 3. Further, the Commission recommends that the City be directed to acquire from the County the utility lines serving the Donnelly property north of Harrisonburg and that improvements in those lines be made sufficient to meet the current and future utility needs of that property and its immediate environs. Again, these recommendations are founded upon the Commission's judgment that the City is currently the most appropriate entity for the provision of these public services in these areas (Study Area No. 3 and the Donnelly property area) adjacent to the City, and that the County should be freed from the necessity of inordinately concentrating its resources on limited segments of its property and residents.

Recommendations Relative to Terms of Award

Capital Improvements and Services in Annexed Area

The Commission has carefully reviewed the exhibits and testimony presented by the City of Harrisonburg relative to its proposed construction of capital facilities and extension of services in the area proposed for annexation. Based upon its review of this material and its consideration of the needs of the area proposed for annexation, the Commission concludes that the capital improvement proposals of the City as set forth in the following submissions are appropriate and should be decreed by the Court to the extent that such improvements are consistent with the award ultimately granted:

Exhibit 18 and Map H-12 (fire services);

Exhibit 20 and Map H-15 (parks and recreation);

Exhibit 22 and Map H-17 (street lights);

Exhibit 23 (road and street improvements);

Exhibit 30 and Map H-20 (water system); and

Exhibit 31 and Map H-26 (sewer system).

In addition to the above cited major capital improvements, the Commission recommends that the Court direct the City to acquire the equipment and personnel necessary to provide, at a minimum, law enforcement, solid waste collection, and public transportation services generally consistent with those delineated on Maps H-14, H-18, and H-30 respectively.

With respect to the City's proposals regarding public school facilities, the Commission recommends, as previously indicated, that additional consideration be given by the parties to the acquisition of the Pleasant Valley Elementary School by the City. For the reasons earlier expressed, the Commission recommends that the parties request the State Department of Education to assist them in determining the appropriate disposition of that educational facility. The Commission recommends that the Court request that the findings of this study be submitted to it for consideration. Assuming that a careful analysis of this issue by State, County, and City school officials reveals that the general interests of the area are served by the County's retention of the Pleasant Valley Elementary School, the Commission endorses the City's public school proposals as set forth in Exhibit 26R and Map H-31.

In addition to the public improvements proposed by the City and recommended above, the Commission recommends that the City be directed to give priority in its capital improvement program to appropriate repairs and replacement of utility lines in the Park View section. Given the age of the

utility lines in that area (varying between 30 and 60 years of age) and the fact that those lines serve Eastern Mennonite College and a major residential area, it is the Commission's view that the City needs to address in the immediate future the current and prospective problems of that area.

Amendments to City Regulatory Provisions

In order to integrate citizens of the annexed area into the City with a minimum of disruption in their personal lives the Commission recommends that the Court direct the City of Harrisonburg to make two modifications in its regulatory provisions. First, it is recommended that the Court direct the City to allow the continued use of existing septic tanks in the annexed area as long as such systems meet State Health Department standards. Second, the Commission recommends that the Court direct the City to modify its zoning provisions such that all mobile homes existing in the area to be annexed as of the date of this report, or such later date as the Court deems appropriate, may continue to be utilized on their present sites.

Amendments to Assessment Provisions

The Commission recommends that the Court direct the City of Harrisonburg to provide that those properties in the annexed area which are presently certified to receive use value assessment remain eligible for such assessment after annexation. Continued qualification for use value assessment of individual properties should be determined by the City in accordance with the standards prescribed by State law. The Commission is advised that there are presently 5200 acres of land in the total area proposed for annexation which receive use value assessment under the County's assessment policies. The Commission recommends that the annexation should be contingent upon the City's adoption of assessment policies which protect the agricultural and other properties presently

qualifying for use value assessment.

Financial Settlement Provisions

Assumption of County Debt. Both parties agree that the City of Harrisonburg should assume a portion of the County's long-term debt equal to a percentage of County assessables annexed by the City. There is disagreement, however, on the total to which that percentage should be applied in determining the amount of debt to be assumed by the City.⁸⁹ The disparity in City and County calculations of total County debt stems from disagreement over the propriety of including some of the original debt incurred for the Massanutten Vocational Technical Center and two subsequent bond issues which have been authorized but not sold. While the particulars of these issues have not been presented to the Commission for consideration, it appears to this body that the terms of the contract creating this educational facility should govern the distribution and assumption of existing debt. Furthermore, it would be inappropriate to direct the City to assume any portion of the County's uncommitted indebtedness. The Commission proffers these recommendations to the Court based upon its collective involvement in local government affairs but recognizes that these issues may raise questions of a legal nature appropriately left for judicial resolution.

Compensation for Public Improvements. The only County-owned and maintained improvements which are proposed for acquisition by the City of Harrisonburg in this annexation case are utility facilities. Regarding the issue of the compensation due the County for these facilities, there are two questions raised --

89 Harrisonburg Exhibits, Exh. 37R (Supplement); and Rockingham Exhibits, Exh. 72.

(1) the number of facilities to be acquired by the City and (2) the method to be used for determining the value of these facilities.

With respect to the first question, the County has indicated to the Commission that it desires to retain a number of the utility lines which it presently owns in the area proposed for annexation.⁹⁰ The Commission recommends that the Court direct the City, without persuasive evidence to the contrary, to acquire all of the County's lines which are an integral part of the annexed area's utility system. Ownership of these facilities will permit the City to operate a unified utility system within the enlarged municipality and will eliminate potential interjurisdictional conflicts. With respect to the second question, the Commission believes that it would be inappropriate for it to attempt to render recommendations regarding the precise compensation due the County for its public improvements. It appears to the Commission that a determination of such compensation is a subsidiary question which cannot be appropriately addressed until the Court decrees a specific annexation award.

Loss of Net Tax Revenue. The Commission has devoted considerable time and energy to an analysis of the various exhibits and testimony submitted relative to the question of the compensation due the County for its prospective loss of net tax revenue resulting from "the annexation of taxable values to the city."⁹¹

⁹⁰ Harrisonburg Exhibits, Exh. 32R; and Rockingham Exhibits, Exh. 43. The County exhibit does not list information concerning the value of all the utility lines which the City desires to buy.

⁹¹ Code of Virginia, Sec. 15.1-1042.

Because of reasons cited in the previous section of this report, the Commission will not endeavor to submit recommendations to the Court regarding the amount of compensation due the County for its loss of taxable values to the City of Harrisonburg unless so ordered. The Commission does, however, wish to offer comment to the Court with respect to the methods proposed by the parties for use in determining the compensation due the County.

There are two fundamental distinctions in the methods proposed by the County and City for establishing the amount of compensation due under this provision of law. First, the City proposes to calculate the County's prospective loss of net tax revenue for the most current fiscal year (\$1,609,640) and multiply that figure by five to determine the aggregate compensation (\$8,048,200) due the County for the five year period specified by law.⁹² The County, on the other hand, proposes to establish its prospective loss of net tax revenue for the five year period by calculating distinctly its loss each year and adding the five sums (\$14,435,079). The annual losses established by the County are based upon revenue and expenditure projections which are founded upon previous County experience.⁹⁴ Second, the City contends that the statutory language directing it to compensate the County for the "annexation of taxable values to the city" is intended to limit such compensation to that required to offset the loss of local tax sources. The County's methodology, however, has the effect of having the City compensate the County for any reduction of State

92 Harrisonburg Exhibits, Exh. 39R.

93 Rockingham Exhibits, Exh. 89C.

94 In making its expenditure and revenue projections the County considers the growth of those elements during the period 1976-81 based on operations for the years 1976-80 and the budgeted figures for 1981. The Commission considers the use of 1981 budget figures inappropriate for measuring historical change. Actual revenues and expenditures can, and do, differ significantly from budgeted figures.

and federal aid as well. The Commission believes that some comment on these two varying methodologies may be of assistance to the Court.

The Commission is concerned that it may be inappropriate for the County to base its future expenditure needs on its experience between 1975 and 1980. During that span of years the County initiated a number of new programs and expanded existing ones resulting in significant increases in its operating expenses. It is not clear to the Commission that such increases should be projected for the future, particularly since the County may no longer be required to serve a heavily urbanized area. It is significant to note here that a continuation of present service levels should not require increases of the magnitude necessary to initiate and develop new programs or service levels. What the County is proposing, it appears to the Commission, is not compensation to continue current programs and service, but compensation sufficient to continue to increase those services consistent with its 1975-80 experience. The Commission notes that the County's methodology, if our analysis is correct, is inconsistent with the County's adopted definition of the "Loss of Net Tax Revenue" due in annexation cases. That definition proposes compensation to allow the County "to provide the same calibre and level of service with annexation as provided by the County without annexation."⁹⁵

Continued

Further, the County uses throughout a number of its exhibits a statistic identified as the composite "effective tax rate." This statistic is stated to be the tax rate which must be applied to the aggregate of County assessables in order to provide the revenue necessary to meet projected expenditure levels. From the Commission's perspective the County's entire methodology is made suspect by the fact that this "effective tax rate" is projected to increase from \$.361 in 1980 to \$1.47 in 1986 (an increase of 307%) even without annexation being granted! (Rockingham Exhibits, Exh. 88 and 89C.)

⁹⁵ Rockingham Exhibits, Exh. 87.

Furthermore, the Commission is concerned that the County's methodology does involve the City's compensating the County for revenue that is not derived locally. The County's methodology appears to require the City, in essence, to guarantee that the County will receive during the five years following annexation proceeds from State and federal aid programs, even if such programs are reduced or terminated during that five year period. Given the significant disparity in the determination of the loss of net tax revenues which results from use of the two methodologies, the Commission recommends that the County be requested to substantiate better the methodology which it proffers.

The Commission is prepared to assist in the development of detailed recommendations regarding the financial settlement considerations, should the Court so direct, subsequent to the determination of award.

Concluding Comment

During the conduct of its review of this case the Commission heard considerable expression of sentiment in favor of a merger of the governments of the City of Harrisonburg and Rockingham County. The Commission strongly encourages the citizens and the elected leadership in the area to explore fully this option. While the Commission has not reviewed evidence on the merits of governmental consolidation in the Harrisonburg-Rockingham County area and, thus, can not endorse that specific solution to the area's governmental concerns, it is cognizant of the growing interdependence of local governments and the increasing number of public activities which transcend local boundaries and which can only be effectively addressed by localities acting in concert. Virginia law offers broad opportunity for the Commonwealth's political subdivisions to develop governmental structures and relationships adapted to local needs. Given citizen

interest and political leadership, the counties, cities, and towns in Virginia can create governmental arrangements tailored for their unique circumstances. The Commission would encourage the local governments of the State to re-examine continually their governmental operations and interlocal relationships in view of constantly changing needs and circumstances. Whatever the ultimate disposition of this annexation case, the opportunity remains for the citizens of the City of Harrisonburg and the County of Rockingham to seek the changes they deem appropriate in their local governmental arrangements.

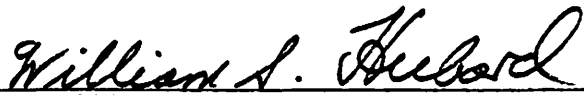
The findings and recommendations contained in this report do not totally reflect the views of any one Commission member. They do, however, represent the collective judgment of this Commission. This report is the product of extensive investigation and analysis, and we trust that it manifests the concern and resources which have been devoted to its development. With an appreciation of the contending values and of the complexity of the issues we have been asked to address, the Commission has sought to fashion recommendations which will ultimately benefit the region as a whole and the State.

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Respectfully submitted,



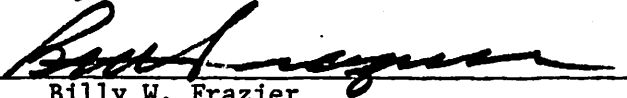
E. A. Beck, Chairman



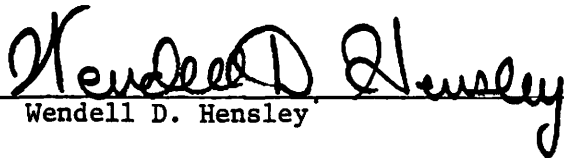
William S. Hubbard, Vice Chairman



A. George Cook, III



Billy W. Frazier

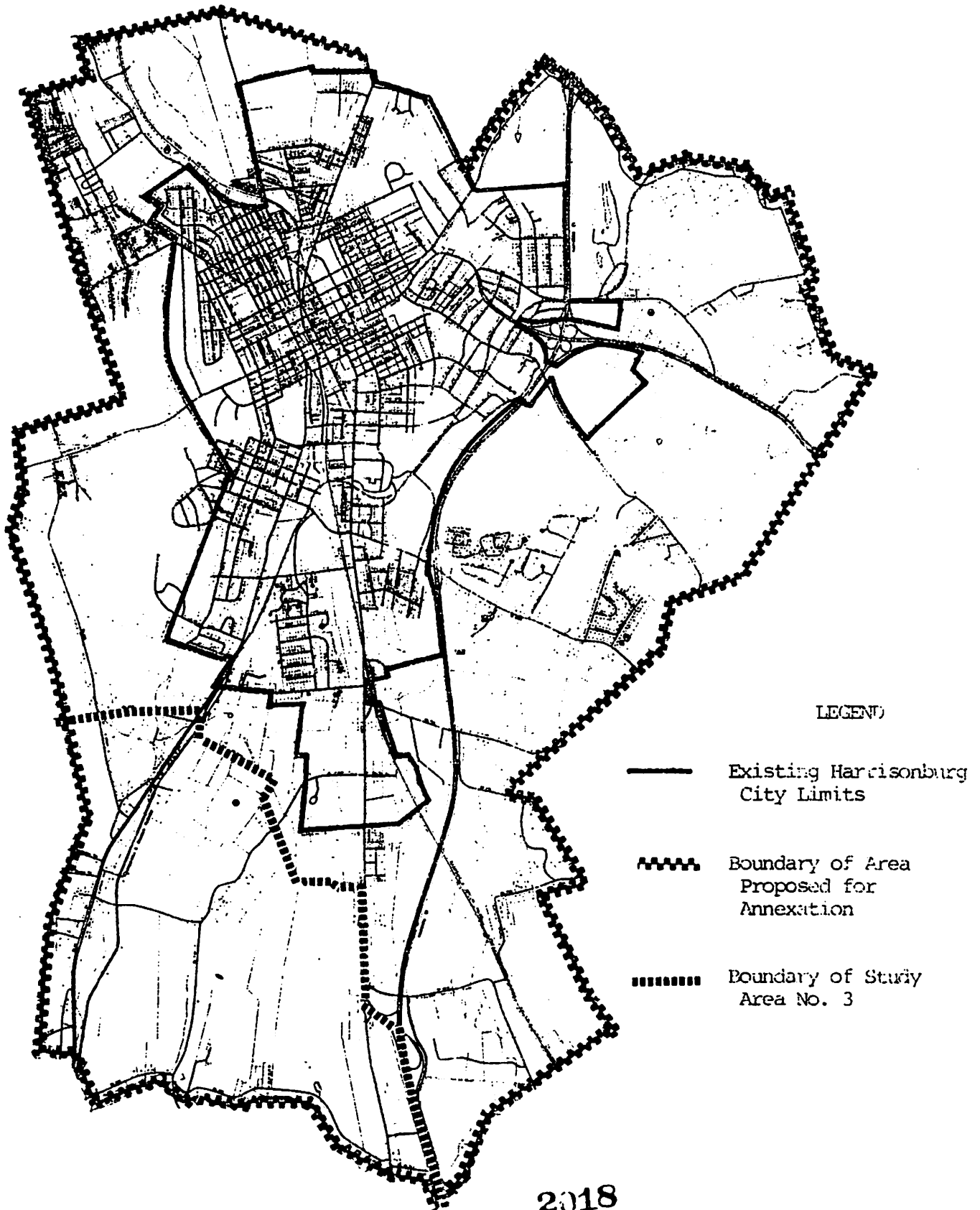


Wendell D. Hensley

February 20, 1981

APPENDICES

APPENDIX A
Lines and Boundaries
City of Harrisonburg - Rockingham County Environs



APPENDIX B

Statistical profile of the City of
Harrisonburg, Rockingham County and
the Area Proposed for Annexation.

	City of Harrisonburg	Rockingham County	Area Proposed for Annexation
Population	19,372	56,348	5,165
Land Area (sq.mi.)	5.98	865.06	14.14
School Age Population	3,193	13,388	873
School Average Daily Membership	2,412	10,094	493
Total Taxable Values	\$300,045,819	\$1,010,201,373	\$142,513,836
Real Estate Values	\$269,786,420	\$875,316,540	\$120,380,601
Tangible Personal Property Values	\$14,642,160	\$45,994,360	\$6,635,101
Merchant Capital Values	-----	\$18,638,010	\$8,213,327
Machinery and Tools Values	\$3,014,950	\$10,077,250	\$3,116,620
Public Service Corporation Values	\$12,602,289	\$48,507,283	\$2,581,567
Mobile Home Values	-----	\$11,667,930	\$1,586,620
Sales Tax Receipts	\$1,500,00	\$1,250,000	\$818,250
Existing Land Use (Acres)			
Residential	1,147	N/A	
City's Estimate			870
County's Estimate			1,027
Commercial	247	N/A	
City's Estimate			201
County's Estimate			477
Industrial	253	N/A	
City's Estimate			296
County's Estimate			296
Public and Semipublic	586	N/A	
City's Estimate			550
County's Estimate			730
Highways, Streets and Railroads	589	N/A	
City's Estimate			N/A
County's Estimate			712
Vacant and Agricultural	1,005	N/A	
City's Estimate			7,132
County's Estimate			5,808

Note: All figures are 1980 estimates
N/A = Not available

Source: Harrisonburg Exhibits, 3R, 4R, 10 and 12.
Rockingham Exhibits, Exh. 69; and Myron C. Smith, Counsel for Rockingham
County, letter to staff of Commission on Local Government, Dec. 30, 1980.

APPENDIX C

Statistical Profile of the Area Proposed for Annexation and Study Area No. 3.

	Area Proposed for Annexation	Study Area No. 3	Percent of Total
Population	5,165	650	12.6%
Land Area (sq.mi.)	14.14	3.37	23.8%
School Age Population	873	151	17.3%
Total Taxable Values	\$142,513,836	\$15,796,337	11.0%
Real Estate Values	\$120,380,601	\$12,201,723	10.1%
Tangible Personal Property Values	\$6,635,101	\$1,581,634	23.8%
Merchant Capital Values	\$8,213,327	\$928,620	11.3%
Machinery and Tools Values	\$3,116,620	\$593,800	17.3%
Mobile Home Values	\$1,586,620	\$544,560	34.3%
Existing Land Use (Acres)			
Residential	1,027	149	14.5%
Commercial	447	133	27.9%
Industrial	296	8	2.7%
Public and Semi- public	730	10	1.4%
Highways, Streets and Railroads	712	143	19.8%
Vacant and Agricultural	5,808	1,714	29.5%

Note: All figures are 1980 estimates.

Land use figures are Rockingham County estimates

Source: Rockingham Exhibits, Exh. 25 and Myron C. Smith, Counsel for Rockingham County, letter to staff Commission on Local Government, Dec. 30, 1980



COMMONWEALTH of VIRGINIA

Commission on Local Government

EDWARD A. BECK, CHAIRMAN
A. GEORGE COOK, III
BILLY W. FRAZIER
WENDELL D. HENSLEY
WILLIAM S. HUBARD

1001 E. MAIN STREET
SUITE 507
RICHMOND, VIRGINIA 23219
TELEPHONE: (804) 786-6508
EXECUTIVE DIRECTOR
M.H. WILKINSON

March 30, 1981

The Honorable L. Wayne Harper, Clerk
Circuit Court of Rockingham County
Court House
Harrisonburg, Virginia 22801

Dear Mr. Harper:

Our review of the Commission's Report on the City of Harrisonburg-County of Rockingham Annexation Case has revealed the following two typographical errors which we would like to bring to your attention:

Page 6, footnote #7 - the number of full-time positions at James Madison University in 1970 should be shown as "575" rather than "557"; and

Page 10 - the reference to footnote #20 is missing in the text; the reference should appear at the end of the sentence terminating on the next to the last line on the page.

Enclosed herewith are revised copies of pages 6 and 10 which you may wish to insert in the report.

Sincerely,

M. H. Wilkinson
Executive Director

MHW/alb

Enclosures

CC: Mr. William R. Cogar
Mr. Robert C. Fitzgerald

*Corrected pages
have been inserted.
3/31/81
L. Wayne Harper*

2021



COMMONWEALTH of VIRGINIA

Commission on Local Government

EDWARD A. BECK, CHAIRMAN
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EXECUTIVE DIRECTOR
M. H. WILKINSON

February 23, 1981

The Honorable Norman K. Moon, Chief Judge
Special Three-Judge Court
City of Harrisonburg-County of Rockingham
Annexation Case
Court House
Harrisonburg, Virginia 22801

Dear Judge Moon:

Enclosed herewith is a copy of the Commission's report relative to the City of Harrisonburg-County of Rockingham annexation case. The Commission has asked that I convey to the Court, apart from the report, the protracted and intensive consideration it has given to this annexation issue. Beyond the considerable time the Commission devoted to reviewing and analyzing the testimony and exhibits submitted to it, the Commission convened on numerous occasions, with several consuming entire days, to discuss the case and the recommended award to the City.

While the Commission readily concluded that an annexation by the City was appropriate, a recommendation for a specific award was not quick to evolve. I have been asked to advise the Court that the Commission's use of the County-designated "Study Area No. 3" in defining the recommended award to the City was not the result of casual choice, nor due to the convenience of using a predesignated area. The decision by the Commission to recommend the exclusion of "Study Area No. 3" from the award to the City was based upon a careful consideration of the unique attributes of that area and the nature and location of the boundaries involved.

It is the Commission's hope that the enclosed report will assist the Court in the discharge of its responsibilities.

Sincerely,

cc: to Hon. J. C. ...
Rockingham County ...

M. H. Wilkinson
M. H. Wilkinson
Executive Director

MHW/alb

Enclosure

FEB 23 1981
Norma
Turner Deputy Clerk

2022

ROCKINGHAM COUNTY SHERIFF'S DEPARTMENT

JANUARY 1, 1979 TO DECEMBER 31, 1979

TYPE OF CRIME

AREA BY GRID

	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>	<u>G</u>	<u>H</u>
MURDER	1	0	0	0	0	0	1	0
RAPE	1	0	0	2	0	0	0	3
ROBBERY	0	0	0	1	1	0	1	2
FELONIOUS ASSAULT	9	0	1	1	1	0	1	2
BURGLARY	29	8	9	38	16	11	22	57
GRAND LARCENY	17	10	2	49	8	10	9	38
PETTY LARCENY	12	5	4	33	6	7	6	14
AUTO THEFT	1	0	0	7	1	0	0	0
ARSON	5	0	0	1	1	0	1	1

A - Broadway, Timberville, Fulks Rm, New Market and surrounding areas.

B - Linville, Edom, Singers Glen and surrounding areas.

C - Mt. Clinton, Dale Enterprise, Rawley Springs and surrounding areas.

D - Harrisonburg and surrounding areas.

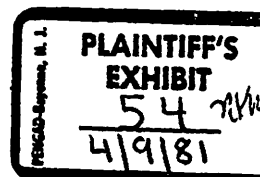
E - Dayton, Bridgewater, Montezuma and surrounding areas.

F - Grottoes, Port Republic, Pleasant Valley and surrounding areas.

G - Keezletown, Penn Laird, McGaheysville and surrounding areas.

H - Elkton and surrounding areas.

2023



COUNTY EXHIBITS

2024

ANNEXATION PROCEEDINGS

SHEET _____ OF _____

ROCKINGHAM COUNTY UTILITIES
LENGTHS OF SEWER AND WATER LINES AFFECTED BY PROPOSED ANNEXATION

Project	Length of Water Lines		Length of Sewer Lines	
	Existing	Water Lines in Proposed Annexation Area	Existing	Sewer Lines in Proposed Annexation Area
S-2 Pleasant Valley	-0-	-0-	11,761 L.F.	10,488 L.F.
S-3 Ashby Heights/ Portland East	13,652 L.F. 3,093 L.F.	13,652 L.F. 3,093 L.F.	19,641 L.F. 1,540 L.F.	19,641 L.F. 1,540 L.F.
S-4 Massanetta/Sunnyside	-0-	-0-	11,413 L.F.	1,614 L.F.
S-5 Rockingham Motel	-0-	-0-	2,978 L.F.	2,978 L.F.
Donnelly Sewer A, B & C	-0-	-0-	7,329 L.F.	6,086 L.F.
W-1-79	11,730 L.F.	11,730 L.F.	-0-	-0-
W-2 Donnelly Water	9,336 L.F.	3,300 L.F.	-0-	-0-
W-3 South County	29,499 L.F. (a)	19,656 L.F. (a)	-0-	-0-
Park View Sanitary District (excluding 2" & 3" lines)	28,110 L.F.	27,610 L.F.	28,345 L.F.	27,845 L.F.
Belmont	-0-	-0-	27,064 L.F.	3,955 L.F.
Total Length of Lines	95,420 L.F. (a)	79,041 L.F. (a)	110,071 L.F.	74,147 L.F.
Percent of Length of Lines Lost if Annexation is Granted		82.8%		67.4%

(a) Includes 2,300 LF to be constructed in 1981.

2025

COMPOSITE CITY OF HARRISONBURG AND ADDITIONAL AREA

<u>LAND USE AREA</u>	<u>EXISTING CITY</u>	<u>ADDED AREA</u>	<u>COMPOSITE CITY</u>	<u>% INCREASE</u>	<u>% OF TOTAL</u>
<u>RESIDENTIAL</u>					
SINGLE FAMILY	942 Ac.	252 Ac.	1,194 Ac.	} 32	16
MOBILE HOMES	—	17 Ac.	17 Ac.		<1
MULTI-FAMILY	262 Ac.	122 Ac.	384 Ac.		5
COMMERCIAL	258 Ac.	80 Ac.	338 Ac.	31	5
INDUSTRIAL	376 Ac.	202 Ac.	578 Ac.	54	8
PUBLIC/SEMI-PUBLIC	619 Ac.	444 Ac.	1,063 Ac.	72	15
VACANT & AGRICULTURAL	839 Ac.	2,189 Ac.	3,028 Ac.	261	41
ROADS & STREETS	531 Ac.	226 Ac.	757 Ac.	43	10
TOTAL	3,827 Ac. (5.98 Sq. Mi.)	3,532 Ac. (5.51 Sq. Mi.)	7,359 Ac. (11.5 Sq. Mi.)	92	100

POPULATION

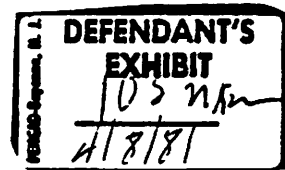
PERSONS	19,671	3,063	22,734	16
STUDENTS IN ADM	2,412	143	2,555	6

ASSESSABLES-1980

REAL ESTATE	\$269,622,500	\$57,801,900	\$327,424,400	21
PERSONAL PROPERTY	14,604,830	2,543,652	17,148,482	17
MERCHANTS CAPITAL	N/A	3,466,724	N/A	N/A
MACHINERY & TOOLS	3,014,950	847,835	3,862,785	28
MOBILE HOMES	N/A	123,046	123,046	N/A
PUBLIC SERVICE CORP.	12,609,289	1,307,300	13,916,589	10
TOTAL	\$299,851,569	\$66,090,457	\$362,475,302	18

<u>LOCAL SALES TAX</u>	\$1,900,000	\$270,000	\$2,170,000	62% OF TOTAL CITY/COUNTY
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Flash

TO: All Chamber Members
FROM: Rebecca L. Cover
Executive Vice President
DATE: March 10, 1981

191 SOUTH MAIN STREET, P.O. BOX 1 • HARRISONBURG, VIRGINIA 22801 • (703) 434-3862

The following is a Resolution drafted by the Study Committee on Local Government and adopted by the Board of Directors of the Harrisonburg-Rockingham Chamber of Commerce on March 4, 1981:

WHEREAS, the citizens of Harrisonburg and Rockingham County enjoy a broad range of common interests, and many activities reflecting this community of interest have been successfully consolidated;

WHEREAS, the City of Harrisonburg and Rockingham County have been involved in an annexation suit since 1975, prosecution of which has placed a heavy demand on the financial resources of both jurisdictions and has made obvious to the citizens of the community the mistrust and lack of cooperation that exists;

WHEREAS, there is a growing feeling in the community that its citizens can no longer afford the kind of disunity and distrust which have so often characterized city-county relations;

WHEREAS, a large number of people spoke out in favor of exploring the feasibility of a unified government at the public hearing of the Local Government Commission on December 10, 1980;

WHEREAS, the Commission has now released its findings and recommendations. In its concluding comment the Commission, alluding to the considerable expression of sentiment in favor of a merger of the two governments at the public hearing, strongly encouraged "the citizens and the elected leadership in the area to explore fully (the) option" of merger or consolidation;

WHEREAS, the Commission also noted that Virginia law offers broad opportunity for political subdivisions in Virginia to develop governmental structures and relationships adapted to local needs;

WHEREAS, the Commission further noted that whatever the ultimate disposition of the annexation case the opportunity remains for the citizens of Harrisonburg and Rockingham County to "seek the changes they deem appropriate in their local government arrangements."

NOW, THEREFORE, BE IT RESOLVED that the Harrisonburg-Rockingham Chamber of Commerce respectfully requests the governing bodies of Harrisonburg and Rockingham County to cooperate with each other in appointing a joint commission to study and evaluate possible ways of promoting city and county cooperation, including full consideration of the feasibility of unifying the two political subdivisions into one city or county. The joint commission should include appropriate representation from the towns and the county-at-large totaling fifteen members, with fifteen members from the city.

BE IT FURTHER RESOLVED, that upon completion of this evaluation the commission submit its conclusions and recommendations to the City Council and to the County Board of Supervisors.

* * * * *

This Resolution has been presented to the Harrisonburg City Council and the Rockingham County Board of Supervisors at their March meetings. The Chamber urges its members of Harrisonburg and Rockingham County to write their elected representatives in support of the above Resolution. For your information the names and addresses of the Harrisonburg City Council and the Rockingham County Board of Supervisors are listed below:

Harrisonburg City Council, 345 South Main Street, Harrisonburg, VA 22801

Boyd Erickson, Mayor	James Cisney	Dr. Walter Green
Harvin Milam, City Manager	Raymond Dingleline	Elon F. Rhodes

Rockingham County Board of Supervisors, Room 408, County Office Building, Harrisonburg, VA 22801

William G. O'Brien, County Administrator	O. Lynwood Byerly	Jennings Morris
Willwood Hoover, Chairman	Harry Byrd	William Sipe

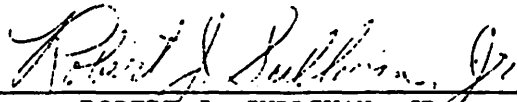
If you have any questions with regard to this Resolution, please contact Rebecca Cover, Executive Vice President, at the Chamber office, 434-3862.

STATE OF VIRGINIA

COUNTY OF ROCKINGHAM, to-wit:

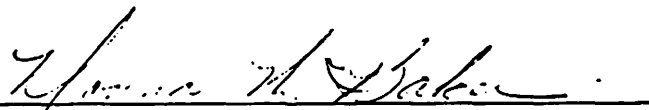
This 8th day of July, 1980, personally appeared before the undersigned Notary Public, ROBERT J. SULLIVAN, JR., who being first duly sworn, deposed as follows:

I am Director of Planning for the City of Harrisonburg, Virginia, and have held such position for the past fifteen years. Neither the Planning Commission nor Council of the City of Harrisonburg have adopted any part of a Comprehensive Plan relating to public utilities, including water, sewer or electricity nor any "Community Facilities Plan" as I understand the term "Comprehensive Plan" as used under Article 4 of Chapter 11 of Title 15.1 of the Code of Virginia.


ROBERT J. SULLIVAN, JR.

Subscribed and sworn to before me a Notary Public for the County and State aforesaid, this 8th day of July, 1980.

My commission expires: April 6, 1982.


Notary Public



CITY OF HARRISONBURG Vs. COUNTY OF ROCKINGHAM

COUNTY EXHIBIT NO. 120

ANNEXATION PROCEEDINGS

SHEET 1 OF 1COMPARISON OF CERTAIN PERTINENT DATA
CITY OF HARRISONBURG AND COUNTY OF ROCKINGHAM

Item No.	Item	City of Harrisonburg	County of Rockingham	City of Harrisonburg As A Percent Of County of Rockingham
1.	1980 Estimated Wealth Per Child in A.D.M.:			
	A. Without Annexation	\$ 124,397	\$ 99,322	125 %
	B. With Proposed Annexation	150,684	89,953	168 %
2.	1981-82 Estimated Wealth Per Child in A.D.M. (Note 1):			
	A. Without Annexation	\$ 155,669	\$ 110,915	140 %
	B. With Proposed Annexation	177,986	101,745	175 %
3.	1980-81 Estimated Local Sales Tax Per Capita:			
	A. Without Annexation	\$ 86	\$ 22	391 %
	B. With Proposed Annexation	101	9	1,122 %
4.	1981-82 Estimated Local Sales Tax Per Capita (Note 1):			
	A. Without Annexation	\$ 93	\$ 27	344 %
	B. With Proposed Annexation	114	10	1,140 %
5.	1980-81 Estimated Local Sales Tax Per Pupil In A.D.M.:			
	A. Without Annexation	\$ 706	\$ 123	574 %
	B. With Proposed Annexation	858	45	1,907 %
6.	1981-82 Estimated Local Sales Tax Per Pupil in A.D.M.:			
	A. Without Annexation	\$ 803	\$ 164	490 %
	B. With Proposed Annexation	1,035	59	1,754 %

Note 1: City of Harrisonburg Wealth and Population Estimated From Historic Trends.

2030

LOCAL SALES TAX

**DEFENDANT'S
EXHIBIT**
124
4/11/21

CITY OF HARRISONBURG
VS
COUNTY OF ROCKINGHAM
GENERAL PERTINENT DATA

	City Line 8/28/81	
Area Proposed to be Annexed	11.6	
Population Proposed to be Annexed	4,607	
Percent of County Population	8.08%	Estimated 80-81 ¹
School Age Population	701	
School Membership	444	421
1980 Taxable Values of Locally Taxable Property by Classes - Area Proposed to be Annexed:		Percentage of Total County
1. Real Estate	113,450,473	12.92
2. Mobile Homes	1,110,550	9.16
3. Personal Property:		
a. Tangible Personal Property	5,342,724	11.52
b. Merchants Capital	7,983,092	42.22
c. Machinery and Tools	2,576,821	25.03
4. Public Service Corporations:		
a. Real Estate - Equalized ²	2,299,211	4.96
b. Real Estate - Unequalized ²	95,069	4.96
c. Personal Property ³	10,706	4.26
TOTAL	132,868,646	13.10

¹Based on same percentage as original (493/520)

²Reduction based on same percentage reduction in Real Estate/
Mobile Home Values, or 93.23%

³Reduction based on same percentage reduction in Tangible
Personal Property, or 79.75%

Prepared:
9/1/81
County Exhibit
1002 NRM

1980 Tax Levy by Class of Tax:

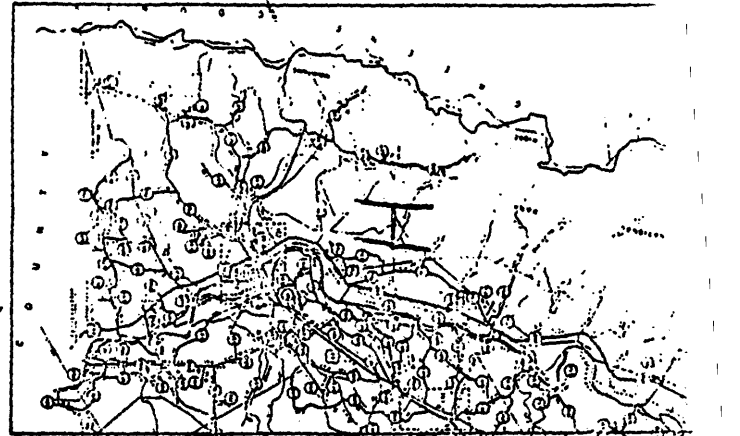
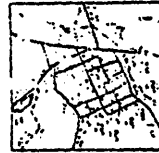
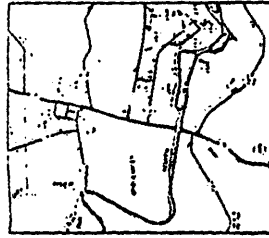
1. Real Estate	589,942	12.92
2. Mobile Homes	5,775	9.16
3. Personal Property:		
a. Tangible Personal Property	186,995	11.52
b. Merchants Capital	79,831	42.22
c. Machinery and Tools	90,084	25.00
4. Public Service Corporations:		
a. Real Estate - Equalized	11,956	4.96
b. Real Estate - Unequalized	2,852	4.96
c. Personal Property	<u>375</u>	<u>4.26</u>
TOTAL	967,807	13.55

*County of Rockingham
1981 Anticipated Local
Sales Tax Revenue (63.173%):*

A. Total for County	1,600,000
B. Reduction if Proposed Annexation is Granted	<u>1,010,769</u>
C. Balance for County	589,231

*County of Rockingham
Long Term Indebtedness
Projected to 12/31/81:*

A. Total County	8,758,000
B. Amount Assumed by City - Same as Ratio of County Taxable Values in Area Proposed to be Annexed (13.10%)	1,147,298



1. MR. BECK: It appears to me that we're ready to start
2. again. We regret that one of the Commission members had
3. other commitments and we knew that he would not be able
4. to be here at this time, but we have a majority and I
5. think we can proceed. One of our members will be here
6. very shortly, but he's not in the best of health. Can
7. we proceed?

8. MR. COGAR: Yes sir. Mr. Wade.

9.
0. WITNESS - PRESTON WADE

1. Direct Examination by Mr. Cogar:

2. Q. State your name, please.

3. A. My name is Preston Wade.

4. Q. What is your occupation, Mr. Wade?

5. A. I'm Chairman of the Board of Wiley and Wilson, engineers,
6. architects and planners.

7. Q. Located where?

8. A. The main office is in Lynchburg, and then Richmond and
9. Tidewater and Nashville.

0. Q. Where did you receive your higher education?

1. A. V.P.I. and S.U.

2. Q. What degree did you receive and when?

3. A. A bachelor's degree in civil engineering in 1955.

4. Q. Are you a registered engineer?

Q. And has that generally been the case in annexations you have observed over the years?

A. Yes, it has.

Q. With respect to other annexations, and particularly with respect to the annexation of taxable values, do you have in your office copies of the Court's opinions and orders entered in annexation cases over the last twenty years?

A. I do.

Q. And those opinions and orders reflect, do they not, the percentage of taxable values annexed from the adjacent counties?

A. They do.

Q. At my request have you gone through those orders to ascertain the percentage of taxable values annexed to cities in Virginia in recent years?

A. I have.

Q. Will you point out some of those to the Court.

A. In more recent years . . . I'll go back to 1959 or so when I first began working in annexation work. In Portsmouth v. Norfolk County, the award was 30.7% of the taxable value.

Q. Again, as a preparatory remark here, the taxable values sought from Rockingham County in this case are what?

A. 14.11%.

Q. And what was awarded in the case you just referred to?

A. In Portsmouth v. Norfolk County, 1959, 30.7%. In the Bristol v. Washington County, 1962, 38.8% as opposed to our 14.11% sought. Richmond v. Henrico, 1965, 38.7%. In Portsmouth v. City of Chesapeake and Norfolk, 1967 case, for the City of Chesapeake 13.5%, for the County of Norfolk 17.3%. For the Winchester v. Frederick County, 1970, 27.0%. For the Petersburg v. Prince George County and Dinwiddie County, 1971 case, for Dinwiddie County 18.86% of the taxable value, for Prince George County 35.33%. For the Bristol v. Washington County, 1973 case, 12.9%. For the Lynchburg v. Campbell County, 1975 case, 26.5%. For the Roanoke v. Roanoke County, 1975, 22.5%.

MR. COGAR: Do you have any questions of the witness at this time?

MR. BECK: These last figures now, they were your records of what the Court allocated in taxable value?

A. That is correct, yes. Well, what was awarded. Yes, awarded.

MR. HUBARD: Mr. Wade, on Exhibit 34-R you list in detail the estimates of annual revenue to the City from the subject area, and in 39-R you detail projected loss of net taxable revenues to the County. I cannot make a comparison between the loss and the corresponding addi-