

MINUTES OF A WORK SESSION HELD BY VINTON TOWN COUNCIL ON TUESDAY, NOVEMBER 17, 2009 AT 5:30 P.M. IN THE COUNCIL CHAMBERS OF THE VINTON MUNICIPAL BUILDING LOCATED AT 311 SOUTH POLLARD STREET, VINTON, VIRGINIA

Mr. Kennedy gave a Power Point presentation on part two of water and wastewater philosophies and emerging trends. He reviewed his work session report from November 17th and spoke briefly on options the Town would have when the water and sewer agreement with Roanoke County expires in 2029. He pointed out that most of the water/sewer infrastructure in Roanoke County was owned by the Town before the agreement took place and advised that if major investments are going to be made in the County by the Town, this issue would need to be addressed.

He reported on the current poor condition of the Town's water distribution system. He noted that 34% of the Town's lines are over 50 years old and 57% are over 40 years old and as a result, there are approximately 88 line breaks that occur each year. He also noted that there are deficiencies in fire protection in several areas of the Town as there are many two inch and four inch mains.

Mr. Kennedy also addressed the condition of the waste water system and advised that there were approximately 47 line blockages per year and an average of 15.7 sanitary sewer overflows each year.

The Public Works Director discussed non-revenue water and what the International Water Associate refers to as real losses and apparent losses. He explained that the term "real losses" refers to water lost due to distribution system leakage, storage tank leakage and storage tank overflows and "apparent losses" refers to water lost when customer meters under-register, when consumption and billing data errors occur, assumptions of unmeasured use and theft or illegal water use. Mr. Kennedy reported that the Town water distribution loss amounts are likely to be in the 18% to 25% range.

Mr. Kennedy reported that in the last five years, Vinton Town Council has increased both water and sewer rates; they totally revamped system development fees, increased commercial and industrial rates to achieve equability with residential rates; completed capital projects and are underway with others. He pointed out that Council will soon have to decide to either reduce the Utility Fund subsidy or to raise rates to support it. He recommended ending the William Byrd High School athletic field irrigation subsidy that costs the Town approximately \$10,000 each year. During his report, Mr. Kennedy advised that the Town is in violation of its loan covenants that specifically says the Town will not give away water free of charge or sell it below cost. He also advised that he felt the water and sewer rates for the nine or ten customers who live outside the Town's service area should be increased as they are not stakeholders in the system.

Mr. Kennedy stated that he would be making presentations to Council over the next few months regarding the cost of service study process and stated that the method staff is using for the study is a nationally recognized one. He went on to say that he is using information from this year to show what the growth should be over the next five years to ensure the sustainability of the Town's water and sewer systems. The study will show the revenue requirements that will be needed for each year until 2015 when revenue requirements will be allocated to customer classes (residential, commercial, industrial and institutional) based on how that class of customer uses water. This will ensure that costs are allocated on a fair-share basis.

Following a discussion on the advantages and disadvantages of the regional water and wastewater authority, Mr. Kennedy completed his presentation and called for questions and comments from Council.

Mr. Nance commented that he realized it would take years to make the needed repairs to the Town's water and sewer system and asked if the major problems in those lines could be pinpointed. Mr. Kennedy replied that the water lines in Lindenwood were probably in the worst condition and the waste water collection system is bad everywhere. Mayor Grose questioned whether the Downtown Project that took place in 2001 and 2002 had remedied the problems there and Mr. Kennedy responded that the problems on Pollard Street, parts of Lee Avenue had been corrected at that time.

Regarding the water line problems in the Lindenwood subdivision, Mr. Kennedy advised that if the Town continues with the current water rate schedule, it would be at least three years before preliminary work could begin to replace water lines in the Lindenwood subdivision and five years before any pipes would be laid.

In response to a comment made by the Public Works Director, regarding the lack of adequate water pressure on Washington Avenue to support commercial projects, the Mayor questioned whether a sprinkling system would be the answer for development of a business on Washington Avenue. Mr. Kennedy responded that it would be part of the answer, depending on insurance and whether or not there is a fire-flow problem.

The work session concluded at 7:00 p.m.

MINUTES OF A REGULAR MEETING OF THE VINTON TOWN COUNCIL HELD AT 7:00 P.M., ON TUESDAY, NOVEMBER 17, 2009 IN THE COUNCIL CHAMBERS OF THE VINTON MUNICIPAL BUILDING LOCATED AT 311 SOUTH POLLARD STREET, VINTON, VIRGINIA

MEMBERS PRESENT: Bradley E. Grose, Mayor
Robert R. Altice
Carolyn D. Fidler
W. Wesley Nance
William E. Obenchain, Jr.

STAFF PRESENT: Chris Lawrence, Town Manager
Elizabeth Dillon, Town Attorney
Darleen Bailey, Town Clerk
Mike Kennedy, Public Works Director
Joey Hiner, Assistant Public Works Director

Agenda

- A. 5:30 P.M. – Utilities Work Session
 - B. 7:00 P.M. – Roll Call and Establishment of a Quorum
 - C. INVOCATION
 - D. PLEDGE OF ALLEGIANCE TO THE U. S. FLAG
 - E. CONSENT AGENDA
 - F. AWARDS, RECOGNITIONS, PRESENTATIONS
 - 1. Police Officers of the Month – MPO David Cooper and Officer Scott Hurt
 - G. CITIZENS' COMMENTS AND PETITIONS
 - H. TOWN ATTORNEY
 - I. TOWN MANAGER
 - 1. Receive and Accept the June 30, 2009 Comprehensive Annual Financial Report – Resolution No. 1846
 - 2. Appropriation of Funds for Burn Building – Resolution No. 1847
 - J. MAYOR
 - 1. Citizen Participation Guidelines
 - K. COUNCIL
 - L. ADJOURNMENT
- WORK SESSION
- 1. First Quarterly Financial Report
 - 2. Vinton Scrap Metal
 - 3. Home Daycare

Mayor Grose called the regular meeting to order at 7:00 p.m. Following roll call and the invocation, Carolyn Fidler led the Pledge of Allegiance to the U.S. Flag.

Roll call, invocation and Pledge of Allegiance to U.S. Flag.

Mr. Nance read a letter from Police Chief Cooley recognizing MPO David J. Cooper and Police Officer Scott C. Hurt as Officers of the Month for the month of

October.

Barry Thompson, Finance Director/Treasurer for the Town, introduced the Town's auditors, Billy Robinson and Jennifer Shilkie with Brown Edwards and Company.

Adopted Resolution No. 1846 accepting audit report

Mr. Robinson presented the Town's Comprehensive Annual Financial Report for the year 2008-2009. He explained that State law requires local governments have an annual audit completed and presented to Council at a public meeting. He complimented Town staff for their cooperation and assistance during the audit process and noted that the process went smoothly.

Mr. Robinson reported that the Town received an unqualified opinion which is the highest level of assurance that can be placed on the Town's financial statements. He reviewed the full document and explained each section. He also reviewed the Management Letter and explained that its purpose is to make recommendations to management on ways to improve operations.

Mr. Altice moved adopt proposed Resolution No. 1846 accepting and receiving the June 30, 2009 Comprehensive Annual Financial Report as prepared by Brown Edwards. The motion was seconded by Ms. Fidler and passed unanimously on a roll call vote.

Mr. Lawrence reported on a request to appropriate funds for the Town of Vinton's share of the regional burn building. He advised that this \$14,000 item had been included in last year's budget but was not paid out because Roanoke County did not send the Town an invoice requesting payment. He went on to say that the amount was not carried over to the current budget and had been credited back to the General Fund.

Adopted Resolution No. 1847 appropriating funds for burn building

Mr. Lawrence asked that Council adopt proposed Resolution No.1847 appropriating the \$14,000 from the unappropriated fund balance to the proper Fire and EMS Department account.

Ms. Fidler moved to adopt proposed Resolution No. 1847 appropriating funds for the Town's share for the regional burn building. The motion was seconded by Mr. Altice and unanimously approved on a roll call vote.

The Town Manager asked Council to amend the guidelines for citizen participation at Town Council meetings in order to make Council meetings more welcoming for anyone wanting to speak.

Mr. Lawrence stated that he felt the guidelines would help provide structure for the meetings when structure is needed. It was the consensus of Council to amend the Guidelines for Citizen Participation at Council Meetings.

The Mayor reported that Lauren Hodges had been asked to gather information on the number of people who have used the War Memorial from January 1 through November 13th. He advised that Ms. Hodges had reported that 12,930 people had

attended functions at the facility. He noted that she had counted everyone only once even if they attended multiple functions. Mayor Grose stated that he felt that with the current state of the economy, that was a very impressive number.

Mr. Lawrence announced that Vinton Town Council would be taking part in a joint meeting with the Roanoke County Board of Supervisors at the County Administrative Building on December 1, 2009 at 4:30 p.m. to receive a report on the proposed Vinton – Roanoke County Communications Department merger. He noted that the proposed merger would provide the opportunity to improve services to the citizens and to also save a considerable amount of money.

Mayor Grose adjourned the regular meeting at 7:55 p.m.

WORK SESSION

At the Town Manager's recommendation, the order of the work session items was switched.

2. Vinton Scrap Metal

Ms. McMillan reported that this issue came about in 2006 when Mr. Chumbley and Mr. Jerry Harris requested a variance to put up a metal building that would be used by customers to unload recyclable materials. She went on to say that at this time, it was discovered that part of the property in question was owned by the Town of Vinton but had been used by Vinton Scrap Metal since the 1960's.

Ms. Dillon explained that another small portion of land owned by Vinton Scrap Metal is needed by the Town because it is part of the existing paved road. She pointed out that still another portion of land is owned by Vinton Scrap Metal but is in the City of Roanoke and needs to be dedicated to the City. She further pointed out that Vinton Scrap Metal is asking for a second small portion of land (lot 11) that is owned by the Town.

Ms. Dillon advised that it has been proposed that the owners of Vinton Scrap Metal give the small triangle of land that has been used by the Town as part of a roadway for many years, to the Town of Vinton in exchange for Lots 10 and 11. She noted that the Town would have to have a public hearing before the exchange could be made.

It was the consensus of Council that a public hearing on the property exchange should be scheduled for the December 15th Council meeting.

3. Home Daycare

Ms. McMillan advised that the issue of home daycare came up when someone complained that an individual who lived nearby was providing childcare in her home for more than five children not related to her which she knew to be illegal according to the Town Code. The Planning Director pointed out that the Vinton Zoning Ordinance allows home day care providers in a residential district, to care for a maximum of five unrelated children as a use by right. She advised that the individual, Mrs. Bennett, had petitioned

the Town to amend the Zoning Ordinance by increasing the number of children allowed in a residential daycare home.

She noted that Mr. Bennett, the husband of the petitioner, had informed her that he had been advised that the Town followed Roanoke County's Zoning Ordinance on this matter and that the Town did not have a separate ordinance. She went on to say that the Bennetts were under the impression that the State's ordinance allows for 12 children in a residential daycare home and would supercede the Town's ordinance that limits the number to five as a use by right. Ms. McMillan advised that she had checked with the Town Attorney who had advised her that a locality can have a more restrictive ordinance than the state has.

The Planning Director reported that she had checked with other localities in the area to see what their requirements are and found that more than five children would require a Special Use Permit in most of the localities. She advised that the Planning Commission had held several work sessions to discuss this issue and had voted the evening before to recommend that Town Council amend the Zoning Ordinance regarding the requirements for residential daycare to allow a home daycare provider to care for 6 to 12 children in a Residential District with a Special Use Permit. Daycare for five or less children would remain a use by right. Ms. McMillan advised that staff feels the number of children allowed in a residential day care home should be limited to a maximum of nine children.

In response to several comments by Council members that they felt 12 would be too many, Ms. McMillan pointed out that the Bennetts do have a very large lot and they feel they could accommodate up to 12 children. She went on to say that Social Services had certain requirements they would have to meet before they would issue a license and one of them would be lot size based on the number of children allowed.

Mr. Altice commented that he felt a daycare provider who is caring for 12 children would need additional staff to care for them and Ms. McMillan replied that home occupation requirements do not allow for extra staff to be hired. Mr. Lawrence added that Council could add any reasonable conditions they feel are necessary.

Mr. Lawrence advised that a public hearing would be scheduled and advertised for the December 15th meeting on the issue of residential day care homes.

1. First Quarterly Financial Report

Mr. Thompson reported that as of September 30th, the Town has collected approximately 19% of the estimated revenue for the current fiscal year. He further reported that last year at this time, that number was less than 14% of estimated revenues. He advised that General Fund expenditures are currently running at about 25% which is as it should be at this point. He went on to say that consumer utility taxes are at 23.4%, the franchise license taxes are at 20.7%, para-mutual tax is at 19.45%, and the meals tax is at 26.24% of the estimated tax. Mr. Thompson pointed out that he is in the process of changing the Meals Tax Reporting Form to make it more user-friendly and as a part of that, he stated that he has reviewed the percentage of meals tax collected by other localities and found that several localities have increased their tax to 6%.

Mr. Thompson advised that staff had estimated the Town would bring in approximately \$255,000 in cigarette taxes this year and as of September 30th, had taken in \$164,486 or 64.5% of the estimated budget. He reported the Town has collected 23.43% of the estimated amount in fines and forfeitures and 30.19% for charges for services.

Mr. Thompson noted that staff had estimated that the War Memorial would bring in \$100,000 this fiscal year but as of September 30th, the facility had already collected \$37,779 or 37% of the original estimate. He added that the operating budget for the War Memorial is \$330,000 and debt service is \$232,000.

State sales tax collected during the collected during the first quarter amounted to 24% of the estimated amount or almost \$280,000. Mr. Thompson noted that last year at this point, the Town had collected only 14% of the estimated sales tax. He advised that General Fund expenditures are estimated to be approximately \$7,761,333 for the year and as of September 30th, \$1,846,633 or 24% has been collected.

Mr. Thompson reported that the Town has collected only 17.7% of estimated revenues in the first quarter for the Utility Fund and spent 25% due to the debt service. He discussed a possible change in the billing cycle.

Following a discussion regarding delinquent accounts, Mr. Altice recommended that the Town hire a professional collector to try to collect the outstanding taxes.

The work session adjourned at 9:40 p.m.

APPROVED:

Bradley E. Grose, Mayor

ATTEST:

Darleen R. Bailey