

MINUTES OF A REGULAR MEETING OF VINTON TOWN COUNCIL HELD AT 7:00 P.M. ON TUESDAY, APRIL 20, 2010, 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
Matthew S. Hare
William W. Nance

STAFF PRESENT: Chris Lawrence, Town Manager
Darleen Bailey, Town Clerk
Elizabeth Dillon, Town Attorney
Barry Thompson, Finance Director/Treasurer
Joey Hiner, Assistant Public Works Director
Beth Austin, Human Resources Manager

Agenda

- A. 7:00 P.M. – Roll Call and Establishment of a Quorum
- B. INVOCATION
- C. PLEDGE OF ALLEGIANCE TO THE U. S. FLAG
- D. CONSENT AGENDA
 - 1. Request to Approve Minutes for Regular Meeting of March 16, 2010
- E. AWARDS, RECOGNITIONS, PRESENTATIONS
 - 1. Officer of the Month for March – Police Officer Fabricio Drumond
 - 2. Dispatcher of the Quarter – Wayne Guffey
 - 3. Vinton Area Chamber of Commerce
 - 4. Volunteer Fire Department
 - 5. Volunteer First Aid Crew
- F. CITIZENS' COMMENTS AND PETITIONS
- G. TOWN ATTORNEY
- H. TOWN MANAGER
 - 1. Reorganizational Proposal to Focus on Economic Development and Business Advocacy
- I. MAYOR
 - 1. Charter Amendment
- J. COUNCIL
- K. ADJOURNMENT

WORK SESSION

- 1. War Memorial Report
- 2. Quarterly Financial Report

Mayor Grose called the regular meeting to order at 7:00 p.m. | Roll call, invocation
Following roll call, Ms. Sabrina Weeks, President of the Vinton gave | and Pledge of

the invocation and Mr. Altice led the Pledge of Allegiance to the U.S. Flag.

Allegiance to U.S. Flag.

The Consent Agenda was approved on motion by Ms. Fidler and seconded by Mr. Altice, with all in favor.

Mr. Nance read a letter from Chief Cooley recognizing Police Officer, Fabricio Drummond as Officer of the Month for the month of March.

Mr. Hare read a letter from Chief Cooley recognizing Wayne Guffey as Dispatcher of the Quarter.

Mayor Grose congratulated Officer Drummond and Mr. Guffey for their outstanding accomplishments.

Sabrina Weeks, President of the Vinton Area Chamber of Commerce, reported on their funding request for 2010/2011. She advised that the Chamber works hand-in-hand with the Town on many events and it is their goal to support the Town of Vinton and businesses that are located in the town. She noted that the Chamber realizes that the economy has had a big impact on the Town but asked that the Town continue to support the Chamber as they have in the past.

Chamber of Commerce request for funding

Mr. Hare reported that he appreciates all that the Chamber does for the Town and the businesses in Town. He asked if Roanoke County was going to contribute to the Chamber next year and Ms. Weeks stated that Mr. Altizer plans to attend a Board of Director's meeting as soon as the Board of Supervisors determine what their contribution will be. Mayor Grose stressed that he feels the Town's relationship with the Chamber of Commerce is very important and appreciated the work they do in support of the Town.

Bennie Powell, Chief of the Vinton Volunteer Fire Department gave an overview of how funds contributed by the Town last year, were spent. He noted that funds were spent for travel to conferences and training; two new exhaust fans for the engine and the wagon; an upgrade to education equipment; and for new uniforms. Chief Powell reported that this year, the Fire Department would like to purchase a thermal imaging camera to replace their 20 year old camera. He advised that the camera will take most of this year's funding.

Volunteer Fire Department request for funding

In regards to C.I.P needs, Chief Powell pointed out that the roof on the firehouse is leaking and is in critical need of repair. He asked that the Town consider repairing it. He noted that some of the small projects that were included with the Town's space study have been completed such as moving the lights switches to the training room from outside of the building, installing a new panel box and lights in

the back stairwell.

Chief Powell advised that Council might want to think about setting aside funds for a new ladder truck as it will need to be replaced within five or six years. He stated that the cost for the ladder truck would be split 50/50 between the Town and the County.

Chief Powell thanked Council for their support. Mayor Grose expressed appreciation to the Chief and all of the volunteers for the work they do for the citizens of Vinton.

Mr. Nance echoed the Mayor's comments. Mr. Hare inquired as to how they would operate for the rest of the year if they spent most of the money from the Town on a thermal camera and Chief Powell explained that the Volunteers have a fund drive each year and the County gives them an allotment for turn-out gear. Mr. Hare asked if any of their training, travel, etc. would have to be cut. Chief Powell replied that the Volunteers try to get as much training as they can from Roanoke County who also pay for any needed printed material they use. He noted that if anyone does not complete their training or fails the course, they have to reimburse the Fire Department.

Chief Doug Adams of the Vinton First Aid Crew, thanked Council for supporting them throughout the year.

First Aid Crew's
request for funding

Chief Adams reported that the Vinton First Aid Crew cut their budget last year by more than 15%. He explained that the Crew does have a fund raiser, a mail-out that is done every year.

Chief Adams advised that the money received from the Town is used for equipment, uniforms and training that is not available locally. He noted that the Town's contribution to the Crew would amount to approximately 20% of total funds raised. He added that the First Aid Crew does have a small "nest egg" as they feel that it is prudent to have funds available as no one knows what will happen in the future.

Chief Adams reported on a new chair displayed at a conference that is used to carry patients down stairways and costs approximately \$3,000. He also discussed a rehab unit constructed by the Crew from an old ambulance that is used to provide a place to provide emergency service workers with food, water, and any first aid the firemen may need.

Chief Adams reported that the Volunteer Fire Department and the First Aid Crew share costs for a computer system that they both use.

Mayor Grose thanked the Volunteers for the work they do. Chief Adams then briefly discussed the First Aid Crew's process to recruit

new members.

Mr. Lawrence reported on the reorganizational proposal that is focused on economic development and business advocacy. He noted that a month before, Council had asked staff to examine how businesses are addressed from a customer service and economic development standpoint. He went on to say that there are a number of concerns and issues that have been addressed by business owners who feel that the Town is not business friendly.

Discussion of the reorganizational proposal for economic development and business advocacy

Mr. Lawrence advised that there are state and federal codes that are implemented by local governments such as ADA requirements, Building Code requirements and Fire Prevention Codes. He noted that the Town has no control over these codes which have continually become more stringent over the last 10 years. He went on to say that a developer has to contend with multiple departments in the Town and Roanoke County when they come in to submit plans or to apply for various permits needed for a project.

Mr. Lawrence commented on the successful Façade Program, especially on Lee Avenue. He explained that the Town is an affiliate member of the Main Street Program which serves as a model for revitalizing and managing downtowns. He also recognized several other revitalization efforts by the Town such as the Downtown Master Plan, the feasibility study for the Vinton Motors property, completion of the Corridor Study as well as the partnership with Roanoke County to develop the Vinton Business Center.

Mr. Lawrence explained that he had been asked by Council to create a position that would focus on economic development and customer service as a priority. He further advised that the Town Manager's Office has been restructured so that he and the Assistant Town Manager can focus as business advocates to enhance communication and to develop and improve relationships with the business community. Mr. Lawrence stated that the new Business Advocate position would serve as a contact for current businesses and also help facilitate in future successful businesses start-ups.

Mr. Lawrence stressed that the Town will utilize current staff experience to work smarter to accomplish Council's goals for economic development. He advised that responsibilities for the Assistant Town Manager, Consuella Caudill, would continue to carry out her responsibilities as Assistant Town Manager with a focus on economic development. Mr. Lawrence noted that Human Resources and the Fire and EMS Department will now report to him.

The Town Manager requested direction from Council for guidance to create a [policy that will assure that staff's goals are in line with

Council's expectations. He noted that he had come up with five goals that can be adjusted later if they need to be:

1. Improve customer service with an emphasis on stronger, more unified connections between departments and agencies that have an impact the business community
2. Cultivate a culture that balances regulatory responsibility as well as business development
3. Enhance attention and resources directed toward economic development with a focus on small businesses
4. continue to develop and enhance the branding and marketing of the Town as a great place to live and do business
5. Develop measurable metrics to show what the outcomes are

Mr. Lawrence noted the staff needs to ensure that the Town has an organizational culture that will enhance customer service to the citizens and that all of the Town's policies are customer oriented.

Following Mr. Lawrence's report, Ms. Fidler commented that she would like to see the changes made as soon as possible. Mr. Nance stated that he feels action is necessary. He noted that it will be very hard to change the culture of the Town and the perceptions about the Town because they are intangible. He went on to say that a change in perception would probably not happen through a change in the culture of the Town, but with a change in how individuals are dealt with through relationships and action.

Mr. Hare stated he strongly supports this plan and wanted to assure staff that they have the support of Council. He stressed that staff will need to ask Council for what they need to implement the plan. Mr. Hare went on to say that he thought it would be wise to work out a "game plan" detailing what needs to be done to change perceptions and how the Town needs to relate to businesses,

Mr. Hare expressed his concerns that the Town Manager will now have more department head reporting to him than he should have. He went on to say that it is important that Ms. Caudill's position is recognized as a future leader for the Town.

Mayor Grose commended the Town Manager for his quick response to Council's concerns. He advised that he realizes the position will take up a considerable amount of time but felt it is very important that the Business Advocacy position spend the time with the Town's business community. Mayor Grose stated that he is counting on this

position to enhance the Town's economy and is excited that the person filling this position is a professional.

Mr. Altice commented out that the change will take time.

The Mayor reported that the Governor is presently considering HB 1014 that requires vacancies in a local governing body or elected school board, be filled by a special election which shall be no later than the next general election unless the vacancy occurs within 90 days of the next general election, in which event, it shall be held promptly but no later than the second general election. The Mayor explained say that the Governor has recommended that the Town's proposed charter amendment include the requirements as stated in HB 1014.

Approved Governor's requested addition to the Town's proposed Charter Amendment

Mayor Grose reported that the Town Manager has contacted all Council members regarding the Governor's requested amendment and there were no objections.

Ms. Fidler moved to support the Governor's recommendation that the Town's proposed Charter amendment include the requirements as stated in HB 1014. The motion was seconded by Mr. Altice and passed unanimously on a roll call vote.

The Mayor distributed a letter to Council from the William Byrd Middle School thanking the Town for allowing them to make their presentation for the Rachel's Challenge program. The letter also stated that they are attempting to raise \$5,000 that would allow the school to become a part of the Rachel's Challenge program.

Discussed contribution for Rachel's Challenge

Mayor Grose inquired whether a contribution to Rachel's Challenge had been included in the current budget. Mr. Lawrence advised that funding was not in the current budget but a \$500 contribution was included in the proposed 2010/2011 budget as an outside agency request. He advised that it was his understanding that Council wanted to include an amount that would go to the Advancement Foundation to be earmarked for the Prevention Council that does work at the Middle School as well as the High School.

There was a consensus of Council to include a \$500 contribution in the proposed budget for the Advancement Foundation as noted above.

Mr. Hare pointed out that this is one thing Council can do that would directly affect thousands of children. He recommended increasing the Town's contribution as it would impact many young people. Mr. Altice pointed out that the Town's contribution would be used by the Advancement Foundation to leverage other grants that would add to

the Town's contribution.

Ms. Fidler gave a brief report on Arbor Day activities. Mr. Lawrence reported that the Arbor Day tree planting effort that took place on the previous Saturday in the Midway area, was the result of a partnership with the State Department of Forestry who gave the Town a grant of \$15,000, as well as the Glade Creek Restoration Group, Trout Unlimited, Orvis and the Upper Roanoke River Committee. He noted that as a result, 300 trees were planted. Mr. Lawrence expressed his appreciation to Anita McMillan, the Town's Planning Director, who played a key part in organizing this event.

Mayor Grose congratulated Town employees for the great job they do every day.

Mr. Lawrence reported that the Public Works Department was also very instrumental in the tree planting project.

Mr. Nance renewed the discussion to commemorate the former Vice Mayor Billy Obenchain's service to the community. He stated his opinion that he would like to see this happen by the current council members. He further stated that he had spoken to Mrs. Obenchain about some of the ideas that had been discussed to honor her husband. He explained that Mrs. Obenchain had stressed that she did not want to appear to be an influence on how Council decides to honor the former Vice Mayor but was concerned that if anything related to the Veterans Monument was named after him, it may detract from the overall theme of the monument.

Mr. Nance inquired as to what Council feels should be done to honor the former Vice Mayor and what they should spend on it. He advised that he felt renaming the Library Room at the War Memorial after the former Vice Mayor or renaming Council Chambers in his honor would be proper options.

Ms. Fidler said she particularly liked the idea of renaming the Library Room at the War Memorial. She went on to say that she has reservations about naming a part of the monument for him due to its nature. Mayor Grose stated that he felt there might be some misconception regarding the naming opportunities for the Veterans Monument as the entire monument is broken out into several naming opportunities, most of which have been taken by individuals and organizations that are not necessarily in memory or for veterans.

When asked what his preference would be to honor Mr. Obenchain, Mr. Nance stated that he preferred the renaming of the Library Room. The Mayor responded that he had no objections to that idea. Mr. Altice commented that he had no problem with the Monument or the

Library Room.

Mr. Lawrence stated that staff would put together a proposal for Council in a couple of weeks.

Mr. Nance brought up the vice mayor appointment and stated that he felt it would be appropriate to appoint an acting vice mayor to fill Mr. Obenchain's term that ends on July 1, 2010. He nominated Carolyn Fidler as Acting Vice Mayor to serve until the first meeting in July when a new Vice Mayor will be appointed. The motion was seconded by Mr. Altice and passed unanimously with a roll call vote.

Appointed Carolyn Fidler as Acting Vice Mayor

As there was no further business, Mayor Grose adjourned the meeting at 8:34 p.m.

WORK SESSION

1. War Memorial Report

Laura Reilly reviewed a report she had prepared on the financial status of the Vinton War Memorial. She reported that she had applied a new pricing structure and that she and her staff were creating new packages to pull in smaller events.

Ms. Reilly stressed that she and her staff are making sure that everyone gets great service when they hold or attend an event at the War Memorial. She went on to say that people know about the War Memorial now and she has been seeing a change in the way people think about the facility. As a result, business had remained steady despite the bad economy and weekday business had picked up.

Ms. Reilly discussed some facility maintenance issues:

- a. There have been no emergency calls this quarter for the HVAC system.
- b. The smoke detectors were changed out to heat detectors as the smoke detectors would send out an alarm every time the temperature dropped below 32 degrees. Cost - \$700.00
- c. A light re-sanding and re-surfacing of the War Memorial hardwood floors had recently been completed.

Ms. Reilly noted that Danny Lugar, the part time setup person, resigned in January and she is now taking applications to replace him. She also noted that she is planning to add some additional responsibilities to the position that would decrease the cost of janitorial service.

Ms. Reilly advised that she had reduced the amount of print advertising as it has been very ineffective and is doing more advertising on television. She noted that she was also using social media such as Facebook as well.

Ms. Reilly reported that based on her calculations, the numbers for the War Memorial are surprisingly close to where they were at this point last year. Mr. Hare inquired as to whether the War Memorial was taking market share given the fact that the numbers are where they were last year. Ms. Reilly replied that she believed they were because the market has declined but her revenue had not. She went on to say that she felt that when the economy improves, things are going to start moving very quickly.

Ms. Fidler asked if anyone had inquired about having a New Year's Eve event at the War Memorial. Ms. Reilly replied that the Chamber of Commerce is planning to hold an event on New Year's Eve. She went on to say that she and the Town Manager are going to meet to discuss the charges for this year so that the Chamber will know what to plan for future events. She noted that there is usually no non-profit pricing on Saturdays or holidays. Mr. Hare commended her for staying on top of charges and making changes where they need to be made.

Ms. Reilly advised that there are times when she has to "almost give away a reservation" just to get people in the door with the understanding that the next time they use the War Memorial, they will be paying the full amount.

Mr. Altice reported that he had received comments from constituents that they get better service at the War Memorial than they do at the Virginia Tech facilities. Mr. Hare cautioned that even though revenues are good now, they still have three month's to go before the year is over. Ms. Reilly advised that for the past three years, she has concentrated on filling the building but now planned to focus on increasing revenues. She pointed out that the way to do that is with excellent service.

Ms. Reilly reported that the Town's Relay for Life teams have brought in \$3,655.

2. Quarterly Financial Report

Mr. Thompson stated that for this report, he had summarized the revenues and expenditures and had prepared a fund balance analysis for the last five years.

He advised that the estimated budget for the current fiscal year is \$7,799,836 and the YTD (year to date) revenues are at \$4,824,595 or 61.86% of the total budget. He reviewed the major categories of revenues and amounts collected to date.

Mr. Thompson advised that the expenditures are currently higher than the revenues are because certain fixed and one time expenditures come in at the beginning of the year but the revenue stream usually comes in at the end of the year when real estate and personal property taxes are collected. Mr. Thompson assured Council

that he feels the figures will even out, however, if he finds that revenues are not coming in as projected, he will advise Council.

Mr. Thompson reviewed General Fund expenditures for the following departments that are at 75% or more: Fire and EMS; Highways Streets and Bridges; Snow and Ice; Recycling; Economic Development and Debt Service. He pointed out that the Town may receive a reimbursement from FEMA for snow and ice removal. He went on to say that if the FEMA funds do not come in by June 30th, he will have to request an appropriation from Council to balance the account. Mr. Thompson stated that he felt most of these categories will work themselves out by the end of the year. During a discussion on Economic Development funds, Mayor Grose commented that he was very concerned that the Town spends more for recycling than for economic development. Mr. Lawrence added that most of the money in the Economic Development account was for a website. He pointed out that the money that has been put in this account has not been spent for the last couple of years as there has been very few façade grant requests during that time.

Mr. Nance noted that when the Town puts money into the War Memorial, Special Programs, or the Farmers Market, money is being spent towards economic development. Mr. Altice commented that the Town needs to have good projects in mind before they begin to discuss spending money.

Mr. Thompson noted that approximately 59.85% of revenues in the Utility Fund had been collected as of April 1st and approximately 64.47% of the budget was expended at that time. He explained that a 10% water/sewer rate increase went into affect on January 1st and was collected for the first time in March. This left only two billing cycles in the fiscal year to collect the increased amount. Mr. Thompson pointed out that if the increase had gone into affect in December, the Town would have been able to collect four billing cycles for the year that would have included the increase instead of just two. He recommended that staff needs to take this into consideration when the next increase is done.

Mr. Thompson reviewed delinquencies in the Utility Department funds. He reported that his office has 460 outstanding accounts totaling \$51,124.90 that are overdue by at least 120 days. He further reported that his office will continue to attempt to collect these accounts and noted that \$6,564.33 in delinquencies had been collected since September, 2009. Mr. Thompson credited Ali Henderson, his part time employee, for collecting the delinquent accounts.

Mr. Hare inquired as to the biggest obstacle to collecting the delinquent accounts and Mr. Thompson responded that the biggest obstacle was the fact that he did not have the staff to work the accounts.

In reviewing delinquent personal property taxes, Mr. Thompson reported that after the Town stopped issuing decals and began charging the VLF fee, he has had difficulty in collecting the VLF fee. He further reported that prior to this year, the taxes were always paid first and the VLF fee was paid last. He went on to say that since it is much easier by law to collect delinquent taxes than it is to collect

delinquent VLF fees, this year, the payment priority was changed so any money coming in to pay Personal Property tax would pay the VLF fee before the tax is paid.

During a discussion on ways to make this process easier, Mr. Thompson suggested that if the personal property tax rate were increased, the Town could do away with the VLF fee. Mr. Lawrence explained that increasing the tax would shift the tax burden because those who own older vehicles would not have to pay anything while those who own newer vehicles would have to pay a higher rate.

Mr. Thompson reviewed the fund balances summary from 2003 through 2009.

Following Mr. Thompson's presentation, Mr. Hare questioned the \$800,000 spent from the surplus fund balance from 2008 to 2009 and wanted to know if the funds were used to service debt. Mr. Thompson responded the \$800,000 was spent on debt service. Mr. Lawrence pointed out that the Town's current revenues will not support the debt that was taken on four years ago and that no revenue had been dedicated to pay for that debt service. Mr. Hare stated that this information changes the proposed budget as the Town cannot continue to spend the entire amount of revenue that is taken in if the Town is to survive.

Mr. Lawrence pointed out that the Town's revenues are down another \$400,000 in next year's budget. Mr. Thompson added that the Gainshare Agreement with Roanoke County will be ending in nine years which means even less revenue for the Town. Mr. Hare advised that he believed that the current economic conditions probably would not end for another four or five years and that the Town cannot operate the way it has operated for the last couple of years if it is to survive.

Ms. Fidler asked if there was any potential at all for refinancing the debt and was advised by the Treasurer that the interest rate is already very low so refinancing would not help. Mr. Hare stated that the Town's financial problems are not due to the amount of revenue taken in but are a result of a spending choices made in the past.

Mr. Lawrence stated that the only way the Town is going to be able to afford to pay for obligated capital projects for next year is to use some of the surplus or to cut services which would lay off employees. Ms. Fidler inquired as to what the capital projects for next year would be. Mr. Lawrence replied that there was the police car lease at \$49,000, a new ambulance at \$35,000, a new roof for the Fire Department at \$85,000 based on the engineer's assessment and the corridor improvements at \$10,000. He commented that the Town is financially obligated to pay for these projects.

Mayor Grose stated that he was confused about the \$3,000,000 difference from 2006 and 2007. Mr. Thompson replied that it was bond issue money for the War Memorial and the Fire and EMS building. Mr. Hare stressed that the problem was not caused by the recession but by the debt that was taken on four years ago that was not built into the budget.

The Mayor commented it was his understanding that at the time the Town took on the debt, the Town could afford it. Ms. Fidler added that Council had been told that they could afford it. Mr. Hare asked if it would be possible to pull out an old budget to see if it was affordable at that time. Mayor Grose stated that he believed that the recession did have a huge affect on the Town's financial status and sincerely hoped that they had not taken on debt that the Town should not have incurred.

Mr. Altice expressed his concerns about the current police vehicle lease that runs for another five years, at which time, the cars would need to be replaced. Mr. Hare pointed out that if the budget situation is not dealt with now, in five years, the Town will have half the Police Department and Public Works crew it has now because the only way to come up with an additional \$400,000 more is to cut people.

Mr. Hare stated that Town funds are now down by \$700,000 so the budget needs a \$700,000 cushion, which is cutting a \$7,000,000 budget close.

Mr. Hare made an inquiry as to how much cash the Town has and the Treasurer responded that the Town has \$2,000,000 in cash and hoped to have at least \$2.9 million by the end of the year.

The Mayor wondered how the cash on hand at the end of this year would compare with past years. Mr. Hare recommended that Council adopt a resolution that states no funds are taken out of the General Fund without Council voting on it. Mr. Lawrence replied that anything that is not in the budget and needs to be appropriated, is brought to Council.

Mr. Lawrence reminded Council that the Budget Work Session is scheduled for the following Thursday at 3:00 at the War Memorial in the Library Room.

The work session was adjourned at 11:00 p.m.

APPROVED