

MINUTES OF A REGULAR MEETING OF VINTON TOWN COUNCIL HELD AT 7:00 P.M. ON TUESDAY, JANUARY 6, 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
 William W. Nance
 William E. Obenchain, Jr.

STAFF PRESENT: Chris Lawrence, Town Manager
 Elizabeth Dillon, Town Attorney
 Darleen R. Bailey, Town Clerk
 Mark Vaught, Police Lieutenant
 Ben Cook, Police Lieutenant
 Craig Sheets, Communications Supervisor
 Joey Hiner, Assistant Public Works Director
 Barry Thompson, Finance Director/Treasurer

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. APPROVAL OF MINUTES – Regular Meeting and Work Session for December 16, 2008
- E. AWARDS, RECOGNITIONS, PRESENTATIONS
 - 1. Introduction of New Police Officers – James D. Hearn and Scott G. Hurt
 - 2. Recognition of Vinton Seminoles Football Team – 2008 Division II Pee-Wee Super Bowl Champions
- F. PUBLIC HEARING
 - 1. a. Proposed Ordinance amending Section 94-24, Service applicant to pay turn on fee; Section 94-29, Use of Roanoke City Water through Vinton facilities; and Section 94-46, Water rates and fees of Division 1, Generally, of Article II, Water, of Chapter 94, Utilities, and Section 94-91, Sewer service rates, of Division 1, Generally, of Article III, Sewage, of Chapter 94, Utilities, with regard to rates and charges for commercial, industrial and institutional water and wastewater service – Ordinance No. 876
 - b. Rates & Charges Schedule for Water and Wastewater Service – Resolution No. 1809
- G. CITIZENS' COMMENTS AND PETITIONS
- H. TOWN ATTORNEY
- I. TOWN MANAGER
- J. MAYOR
 - 1. Vinton Town Council Retreat Scheduled for January 9 and 10, 2009 at the Vinton War Memorial
- K. COUNCIL
- L. ADJOURNMENT

WORK SESSION

1. Presentation on Downtown Revitalization – Trip Muldrow
2. Presentation by Beth Doughty of the Roanoke Valley Economic Development Partnership

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

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

The minutes for the regular meeting and work session of December 16, 2008 were approved on motion by Mr. Nance and seconded by Mr. Obenchain, with all in favor

Approved minutes

Following the introduction of two new Police Officers, James D. Hearn and Scott G. Hurt by Chief Herb Cooley, Town Council welcomed them. Mr. Altice noted that a police officer has a difficult job as they are criticized when they do not perform their jobs well and are also criticized when they do.

Introduction of new police officers

Mayor Grose presented certificates of recognition to the Vinton Seminoles Pee Wee Football team who are the 2008 Division 2 Super Bowl Champions. He went on to say that the Seminoles have been the only Vinton team in two years to make it to the Super Bowl in any age bracket and this year, they were the only Roanoke Valley Team to make it past round 2 of the playoffs. They were undefeated this year and out scored their opponents 565 to 135. Mr. Obenchain congratulated the team members, as did Mr. Nance, Mr. Altice, Ms. Fidler and Mayor Grose.

Presented Certificates to Pee Wee Football Team

Mayor Grose opened the public hearing at 7:15 p.m. to hear comments and take questions on a request to amend the Town Code regarding water and waste water rates and charges. Mr. Lawrence reported that, presently, the Town's commercial, industrial and institutional water/waste water customers are paying less than residential customers which, in essence, means they are subsidizing the Town's commercial customers. He went on to say that staff had developed a 2-part proposal that includes an ordinance that changes the Town Code and a resolution that will set the actual rate schedule.

Public Hearing on Ordinance No. 876 and Resolution No. 1809

The Town Manager pointed out that a "key driver" to this amendment is the fact that the Town's Utility Fund is not being full funded by its customers and is operating at a loss which is being paid for with the Town's reserve funds. He noted that the fund is now \$400.00 in the red and this proposal would be only one step toward addressing this deficiency but would not "fix" the deficit. He stated that their goal was to set rates that are fair and equitable for all the Town's customers. He stressed that the proposed increase would affect only the water rates for commercial, industrial and institutional customers and not residential customers. It also would not affect sewer rates. He advised that staff is recommending an increase to a flat rate of \$2.96 for every thousand gallons of water used. Currently, the rates are on a block schedule meaning that the more water used, the less that is charged. He added that the proposed new rate of \$2.96 is the cost to produce the water from the ground to the house but does not cover future capital investments. This increase would be implemented in three quarterly increases beginning in April. Mr. Lawrence reported that staff has been pro-active in getting this information out to the customers

beginning in late winter of last year and went out and talked with the higher volume customers such as Aramark, Cardinal Glass, PFG, etc. who were receptive to the proposed increase because the early notice would allow them to plan for the increase. He noted that all customers that would be impacted by \$400.00 or more annually were sent letters notifying them of the increase. It was pointed out that neither Mr. Lawrence, Mr. Thompson (Finance Director/Treasurer) nor Mr. Kennedy (Public Works Director) had not received any calls from commercial customers regarding the proposed increase in rates.

Mr. Lawrence advised that the Town would proceed this year with a more comprehensive rate structure study and an evaluation of the current system to see what lies in the future in terms of capital investment with water and sewer lines and also what the cost would be to reach the level that Council and staff decide is needed.

The Town Manager explained that Resolution No. 876 sets a rate and charges schedule for water and wastewater service. He stated that beginning next year, the rates will tie in with the budget process. He went on to say that the resolution also establishes that any customer that lies within the Town's service area and receives water from the Water Authority, which is billed by the Town, would be charged a \$2.00 monthly service charge to cover the Town's administrative costs. The resolution would also increase the volumetric rate for extremely high users of purchased water by industrial customers by 10¢ per thousand gallons.

Mr. Nance asked about the number of letters that were sent out to customers who had a \$400 or more annual increase and Mr. Lawrence replied that about three dozen were sent out. Mr. Nance questioned whether removing the rate structure from the Code would relieve the Town from notifying the citizens when the rate structure changes and he was assured that it would not, it would make it simpler to change the rates when necessary and staff would make sure that citizens are notified of any changes that are made. Mrs. Dillon added that the Town has gone above and beyond what is required to notify customers of the rate structure change.

Mr. Nance expressed concern about the timing and impact of the proposed rate structure change on local businesses during these tough economic times. He noted that he supports the proposal and understands that the rate changes are necessary however if the economy continues to slow he would like for Council to review the situation in April.

Mr. Obenchain commented that he understood and shared Mr. Nance's concerns; however he felt that this increase was necessary for the stability of Vinton's utility fund. Mr. Altice commented that he felt the increase was fair. Ms. Fidler noted that the Town has housing and building structures depending on old sections of lines that are failing and have to be replaced. She stated she felt it was hazardous for the Town to not go ahead and do what was needed to maintain and improve the Town's infrastructure.

Mayor Grose commented that he appreciated that Mr. Nance had taken the time to

think through every angle and the local business that will be affected by this decision. Mayor Grose noted that the decision to raise the rates had been difficult however he felt the rate increase was necessary. Mayor Grose closed the public hearing at 9:50 pm.

Ms. Fidler moved to adopt Ordinance No. 876 amending Town Code regarding Water and Wastewater rates and charges. The motion was seconded by Mr. Altice and approved with a unanimous roll call vote.

Mr. Altice moved to adopt proposed Resolution No. 1809 to approve the rates and charge schedule for water and wastewater service. The motion was seconded by Ms. Fidler and unanimously approved on a roll call vote.

Mayor Grose reminded everyone of the Vinton town council retreat scheduled for January 9th and 10th at the Vinton War Memorial. Mr. Nance and Mayor Grose congratulated the Town and Roanoke County on a very successful Enchanted Eve.

There was no further business and Mayor Grose adjourned the regular meeting at 7:55 p.m.

Comments from the Mayor and members of Council

Adjournment

WORK SESSION

1. Presentation on Downtown Revitalization – Trip Muldrow

Mr. Lawrence reminded Council members of the retreat scheduled for this Friday and Saturday and encouraged them to utilize the information being presented tonight by in Mr. Muldrow and Ms. Doughty as visual and mental preparation for the retreat.

Mr. Lawrence then introduced Trip Muldrow a consultant who works with smaller communities to revitalize and reinvent themselves. Mr. Muldrow gave a PowerPoint presentation highlighting the physical improvements as a result of working with four different communities; Albemarle NC, Rocky Mount VA, Greer SC, and Buena Vista, VA. He also highlighted the marketing aspect emphasizing how these communities marketed their positive assets and created logos and updated web sites to reinvent and market themselves aggressively in their region.

Mr. Lawrence recognized audience members Hal Mabe, Judy Cunningham and David Hill and thanked them for listening and participating in this important work session. He noted that the Town is already actively working with local businesses as a part of the facade grants program and has potential to build on other projects that are already in the works. He commented on the fact that in Mr. Muldrow's presentation government was not doing all the work instead communities and businesses worked with the government to create a regional effort.

2. Presentation by Beth Doughty of the Roanoke Valley Economic Development Partnership

Mr. Lawrence introduced Beth Doughty of the Roanoke Valley Economic Development Partnership to Town Council members. Ms. Doughty reported that the Partnership had worked on a variety of projects in 2008 and generated about three hundred and twenty new jobs and retained more than one thousand jobs within

the region. She noted that the Partnership website had been updated to give a broader view of the region with Vinton featured prominently on the website.

Ms. Doughty reported that a consultant had been retained by the Partnership for the period of one year to work with local communities to supply input on retail drawing power of the region. She explained that certain information is important to attract retail prospects such as population numbers, number of family households, number of single households, average household income and the analyzing of different buying patterns.

Ms. Doughty presented a profile that contained forty-five categories of potential growth opportunities for the Town. She noted that the data showed potential growth areas where opportunities exist to encourage people within the seven minute drive radius of the Vinton to spend more money within the Town. She also indentified areas where the Town performs very well such as women's clothing, fruit and vegetable markets, grocery stores and household appliance stores.

Mr. Lawrence thanked Ms. Doughty for her presentation and noted that this data gives the Town a powerful tool to utilize as Council and staff visualize for the future. Mayor Grose expressed appreciation to Ms. Doughty for the great job she is doing.

3. Closing comments from Town Manager – Chris Lawrence

Mr. Lawrence reminded Council members and staff that department heads will be out of the office at a retreat on January 12th, 13th and 14th. He explained that this retreat will combine staff development with strategic discussion on vision items including important things come out of the Council members retreat this weekend.

Mr. Lawrence noted that at this time the Town is about \$100,000 dollars behind in the forecast budget revenues. He noted this is a direct reflection of the economy due to decreased consumer buying which has made the sales tax revenue fall below original projections. Mr. Lawrence noted that staff is recommending areas that each department can cut back on which will then be reviewed by him.

The work session adjourned at 9:45 p.m.

APPROVED:

Bradley E. Grose, Mayor

ATTEST:

Darleen R. Bailey, Town Clerk