

MINUTES OF A REGULAR MEETING OF VINTON TOWN COUNCIL HELD AT 6:30 P.M. ON TUESDAY, MAY 17, 2016, IN THE COUNCIL CHAMBERS OF THE VINTON MUNICIPAL BUILDING LOCATED AT 311 SOUTH POLLARD STREET, VINTON, VIRGINIA

MEMBERS PRESENT: Bradley E. Grose, Mayor
Matthew S. Hare, Vice Mayor
I. Douglas Adams, Jr.
Sabrina McCarty
Janet Scheid

STAFF PRESENT: Barry W. Thompson, Interim Town Manager
Susan N. Johnson, Executive Assistant/Town Clerk
Theresa Fontana, Town Attorney
Richard W. Peters, Assistant Town Manager/Director of Economic Development
Anita McMillan, Planning & Zoning Director
Anne Cantrell, Accounting Manager
Joey Hiner, Acting Public Works Director
Mary Beth Layman, Special Programs Director
Donna Collins, Human Resources Director

The Mayor called the Work Session to order to hear a briefing on Proposed Amended and Restated Articles of Incorporation Authorizing the Joinder of the City of Salem, Virginia to the Roanoke Valley Resource Authority the annual update from the Roanoke Valley Regional Partnership. Dan Miles with the Resource Authority began by commenting that the Salem facility is in a perfect location to maximize the usefulness for all of the member communities to provide a secondary source for transportation services.

The first step in this process was to have Salem acknowledge they wanted to join the Authority. In June of last year, Salem issued a RFP for solid waste services because the contract they had for 20 years was expiring on June 30, 2016. Salem awarded the contract to the Authority on May 9th.

On May 10th, the Authority Board had a special meeting and adopted a Resolution authorizing the Articles of Amendment to the Articles of Incorporation and the joinder of Salem. The next step in the process is a notice for a public comment period which after 30 days would result in a public hearing by each of the existing three member communities as well as Salem. After the 30 day period each of the member communities will have to adopt an identical resolution of joinder for Salem.

Once all the members have adopted their resolutions, the Authority will have to file an Application of Joinder to the State Corporation Commission to formally request an amendment to the Articles of Incorporation.

Mr. Miles next commented that a prevailing member use agreement will also need to be amended with regard to the service area. When the Authority was formed, it was anticipated that Salem and Montgomery County would possibly become members, so they were included in the original agreement. However, Salem currently contracts with Botetourt and Craig Counties to take their waste through their transfer station. The Authority would like to have this waste as part of the system and will ultimately be talking with Botetourt and Craig Counties as their possible joinder to the Authority. However, at this time they are looking at having the contracts that Salem has with these two localities as being assignable to the Authority.

Additionally, the charter that the Authority has been under since 1989 is 27 years into a 50-year life cycle. The Authority felt this would be a good time to request a renewal of the 50-year term. When the Authority reaches a 20-year remaining life expectancy, they would not be able to issue any 20-year revenue bonds. The contract life must be at least as long as the revenue bonds.

Mr. Miles next commented that also part of the process will be to add new members to the Board of Directors. Currently there is a seven member Board, four from Roanoke County, two from the City of Roanoke and one from the Town. According to the Articles of Incorporation and the Member Use Agreement, Roanoke County will always have majority vote on the Board due to the fact that when the Authority was formed, the County brought the landfill to the table. When we add a new member from Salem, Roanoke County will get a fifth member to maintain majority vote.

With further regard to the member use agreement, Mr. Miles commented that when the Authority was first formed, the three member communities vested heavily into the system. For the first seven years, they paid higher tipping fees to establish reserve funds so after the seven years there would be cash on hand to be able to cover all of the capital costs moving forward. This involved an annual payment

into the reserve funds to keep those reserve funds funded sufficiently based on the planned depletion of the assets.

Currently all the waste is being dumped from the gondola onto a reserve tipping floor and then loaders push the waste back into the articulated dump trucks and then take them to the landfill. They are looking to change over to shipping containers where the waste will be loaded directly into the containers. When these containers get to the landfill, they will be lifted off with a large forklift and put on the back of an articulated flat dump bed. Typically they can get about 20 tons per shipping container with four containers per flat car, 80 tons per flat car. With the gondola they will be able to get 62 tons which will improve the density per rail car and he anticipates there will be a transportation savings on getting the waste there and not having to handle it twice.

There is a provision in which any new member that joins the Authority would have to pay a buy-in provision equal to the pro-rata share of the net assets. Salem would have a population ratio of about 10%, so based on the Authority's net assets of \$20 million their buy-in would be \$2 million. They do not believe it is prudent to continue to retain the buy-in provision, but to have the latitude to make a good business decision moving forward and based on a case by case basis with all members agreeing. The arrangement with Salem is that the Authority will obtain all of Salem's assets to include the transfer station, all of their rolling stock, nine employees, operating costs and all the capital costs. The net book value for the transfer station is currently \$3.2 million which exceeds the required buy-in. The agreement is to allow them to use their transfer station towards the buy-in and in exchange the Authority will pay off the outstanding remaining debt on the facility of \$1.8 million. This debt has been refinanced by Salem and cannot be refinanced, so the Authority will assume the annual disbursements. The first one will be in October of approximately \$250,000 and there are eight more payments.

Mr. Miles next commented one benefit of Salem joining the Authority is rate stabilization. He indicated that he was not implying that the rates would decrease. The projected tipping fees in ten years on a conservative basis without Salem joining

would be around \$64.50 a ton for our municipal members. Right now, it is at \$49.50 a ton which is where it needs to be today in order to cover the tipping fee. With Salem joining, they are projecting a \$54.50 per ton in ten years, but there are a lot of factors that could affect this projection.

Council Member Adams asked what volume of tonnage comes from Botetourt and Craig Counties. Mr. Miles responded that of the 80,000 tons, approximately 14,000 is from Botetourt. Council Member Adams next asked how the garbage at Salem will be moved. Mr. Miles responded that every night the Authority's garbage on the trash train runs within 100 yards of the Salem transfer station. A side track will have to be constructed in order to be able to stage railcars so the containers can be stacked on top of the flat cars.

Council Member Scheid asked if this is approved, when it would be operational. Mr. Miles responded they are looking for the July 1st date of the actual joinder. The actual operational transition is projected to be around Labor Day. They are still working with Norfolk Southern to amend the current agreement to add flat cars to that contract. This is a very lucrative offer for Norfolk Southern—in the neighborhood of \$100,000 a month.

In response to a question regarding the relationship with Botetourt and Craig Counties, Mr. Miles commented that in the members use agreement, a new contract municipal rate has been established which is \$3.50 a ton above the prevailing municipal rate. Their contracts expire June 30th and they will have a new ten-year contract.

The Mayor commented that the public hearing will be advertised for the June 21st Council meeting.

Vice Mayor Hare asked if Joey Hiner, our representative on the Board could pass along the numbers to Council and Barry Thompson responded that he would.

The Mayor called the regular meeting to order at 7:00 p.m. The Town Clerk called the roll with Council Member Adams, Council Member McCarty, Council Member Scheid, Vice Mayor Hare and Mayor Grose present. After a Moment of Silence, Council Member Adams led the Pledge of Allegiance to the U.S. Flag.

Roll call

Under upcoming community events, Council Member McCarty announced the Roanoke Riverfest on June 4th from 11:00 a.m. to 5:00 p.m. at Smith and Wasena Parks. The Vinton UDA Advisory Committee meeting will be Wednesday, May 18th, at 4:00 p.m. at the War Memorial. The Wine and Food Festival is this weekend and the first Mingle at the Market is June 11th at the War Memorial. Mary Beth Layman announced the Vinton Gospel Music Festival from 11:30 a.m. to 8:00 p.m. in front of the Municipal Building.

Vice Mayor Hare made a motion that the Consent Agenda be approved as presented; the motion was seconded by Council Member McCarty and carried by the following vote, with all members voting: Vote 5-0; Yeas (5) – Adams, McCarty, Scheid, Hare, Grose; Nays (0) - None.

Vice Mayor Hare read two Memos from Chief Foster naming Corporal James Spence as Officer of the month for March and ATF/Detective Craig Frye as Officer of the month for April. Both were in attendance at the meeting.

Chief Foster introduced Adam Hoover, a new Police Officer with his Department.

The next item on the agenda was to consider public comments regarding the proposed FY 2016-2017 Town of Vinton Budget. The Mayor opened the Public Hearing at 7:25 p.m.

After opening comments, Barry Thompson turned the meeting over to Anne Cantrell, Accounting Manager. Ms. Cantrell began a PowerPoint presentation with the first slide showing a breakdown of the total budget of \$12,607,693 which is roughly a \$12,000 increase over last year's budget. After reviewing the budget priorities, she commented on the change in the transient occupancy tax from 2% to 7%. This tax increase will amount to a \$400 difference and will be beneficial if the Town gets a hotel in the future for economic development. There is no change in any of the other tax revenue items.

There is a decrease from last year's budget in the General Fund of \$353,568 with the main decrease

Approved minutes of the regular meetings of April 19, 2016 and May 3, 2016; approved the renewal of the Lease between the Town and The Advancement Foundation for property located at 227 South Pollard Street (upper level of the Health Department Building) for a one-year term

Public Hearing Opened

being the use of the CDBG Funds. In the Utility Fund, there is an increase of \$66,001 which is projected use, but no rate increase.

With regard to capital items, there is \$85,000 in the General Fund and \$305,250 in the Utility Fund. The Debt Service is at \$475,906 in the General Fund and \$736,568 in the Utility Fund. The milling and paving is split between the two funds with \$289,693 in the General Fund and \$85,291 in the Utility Fund, for a total paving budget of \$374,984. The next four slides were graphs showing the General Fund revenues and expenditures and the Utility Fund revenues and expenditures.

A new item in the expenditures this year is an item called "transfer". They met with staff to determine what stormwater expenses are being charged to the General Fund and the Utility Fund and have broken these expenses out into a separate Stormwater Fund. The total cost is \$299,792 with \$219,978 from the General Fund and \$79,813 from the Utility Fund. There is also an additional \$30,000 for anticipated consultant expenses.

The proposed budget schedule is for Council to adopt the budget at the June 7th regular Council meeting; however additional work sessions can be added as needed. The Mayor asked if there were any public comments. Hearing no public comments, Council Member McCarty expressed appreciation to staff and the Finance Department for their work on the budget and commented on how smooth the process went this year. The Mayor also commented on the process and the fact that the debt retirement is only five percent of the budget. Council Member Scheid commented that the employee compensation study was long overdue and was glad to see that it was included in the budget and was across the board to all departments. Council Member Adams commented on the financial experience and knowledge of Vice Mayor Hare and expressed appreciation for his work on the budget. Vice Mayor Hare acknowledged all the work that was done by staff and the trust that the other members of Council put in the Finance Committee and Budget Committee to do the budget this year.

The Public Hearing was closed at 7:35 p.m. The Mayor announced that action would be taken on the June 7th Council meeting.

Public Hearing closed

The Mayor asked Anne Cantrell to introduce her husband, Henry Cantrell, who was in the audience.

The next item on the agenda was a presentation of the Hotel Feasibility Study (Field Research Overview Report) for the Town of Vinton/East Roanoke County Market Service Area from Hospitality Marketers Inc. Pete Peters first commented that staff and Roanoke County partnered to hire the services of Hospitality Marketers Inc. (HMI) to conduct this study to determine if conditions exist to support a hotel property within the Town or East Roanoke County. Staff initially met with HMI in December and toured eight individual sites in the market area as well as addressed a predetermined set of questions to identify and understand existing market conditions.

Staff received the initial draft report from HMI in January and provided comments and the requested additional information on the analysis of the potential sites listed and development costs. A final report was received in April which was included with the agenda package.

Mr. Peters next began a PowerPoint presentation and commented on eight market observations from the report. There were nine hotels identified by HMI that would be in competition with the Town ranging from the budget-variety to the limited upscale hotels. In the competitive set, lodging demand experienced a 9.9% growth since 2009. All the Roanoke market is mostly focused on seasonal travel from April through October with January and February being the lowest.

The average daily rate of the competitive set is \$87.63 with the high range being \$123 per night and the middle range at \$98.00 per night over a 12-month period. The average age of the facilities was 24 years with most having undergone a second renovation. This shows that the market that we are looking is very favorable for new property developments.

With regard to lodging demand, corporation and commercial travel is anticipated to be at 35% in the Town compared to 55% in the competitive set. This is the week day business travel. The social and leisure travel is anticipated at 65% in the Town as compared to 45% which is the weekend travel.

The location criteria included a minimum of 1.5 to 2 acres of property with utilities on-site, high traffic/high visibility and proximity to the travel destinations. Of the eight toured sites provided to the consultant, four received very high rankings of either very good to excellent and the other four received good to very good rankings.

Mr. Peters next commented that the study concludes with several recommendations. It suggests that the Town market could sustain up to a 60-room, limited service and mid-priced hotel and he gave several examples. After the hotel study was presented, some advantages discussed was name recognition for on-line inquiries of one of the larger brand hotels, but this would increase competition should a similar hotel be located nearby. The advantages of a boutique-type hotel would be direct referrals, lower development costs and often incurred repeat business. Some of the negatives would be lack of name recognition.

With regard to the projected performance of a property located in the Town, there is a three-year industry standard for things to stabilize after construction and the consultant suggested that within three years our average daily rate would be approximately \$114 per night and they would expect an 80% occupancy over a 12-month period on average. The competitive set ranges from 59-70%, so we would exceed that.

The estimated development costs for a property of this nature would be approximately \$73,000 per room or a \$4.4 million for a 60-room name-brand chain. Typical financing does require a 20-30% equity which is the financing gap that would need to be funded in other manners. Some options for financing the gap would be site ownership and two programs through the State Tourism office, one being the Tourism Development Financing Program and the Virginia Tourism Growth Fund Program. In closing, Mr. Peters commented that staff would use this study as a marketing tool to bring partners to the table including a developer and eventual operator. There could potentially be a property owner as the third partner. Next, would be the site selection and then the consideration of financing options.

Council Member Scheid asked the typical size of the brand-name hotels. Mr. Peters responded that

it depended on the location and could be anywhere from 80-120 rooms. She then asked would it make it difficult to get them to build a smaller hotel. Mr. Peters responded that the developer and the potential operator would bring those folks to the table to negotiate the size.

Council Member Scheid next commented that of the four sites that were the highest ranked, one is in Roanoke County and three are in the Town. Mr. Peters responded that several of the eight sites were just outside the Town. One site was the Vinton Business Center which the Town owns with Roanoke County.

Council Member Scheid next commented that the study showed the traffic numbers on Gus Nicks, but not on Washington Avenue or the Blue Ridge Parkway. Mr. Peters responded that he and Jill Loope discussed that with the consultant and even though they did not make the final report, those numbers were very much factored in. The Orange Avenue (460) to Gus Nicks was the most attractive location based on travel routes of the interstate and 460. Washington and Virginia are more commuter traffic, which is very high volume.

Vice Mayor Hare asked who chose the eight sites. Mr. Peters responded that he did not know the background, but presumed they were established early on and provided to the consultant through the RFP process. This will be a marketing tool to get developers interested in our market and they will come in and do their own research and look for other available properties.

The next item on the agenda was to consider adoption of an Ordinance amending Section 86-287, Itinerant Vendors Generally; Tax Rate of Article VIII, License, Chapter 86, Taxation of the Vinton Town Code. Anita McMillan began by commenting this amendment is proposed to reduce the itinerant vendor license tax for mobile food vendors from a maximum of \$500 to a maximum of \$50 annually.

Both staff and Council have received complaints from vendors that the existing tax to operate a temporary mobile unit in the Town is cost prohibitive. At the direction of Council, the Planning Commission was briefed by staff in February and held a Work Session on March 24th to discuss the

amendment along with the policy. The Planning Commission made a recommendation that Council consider following the current policy to allow vendors to operate on a commercially zoned property with owner permission. Also, we have been allowing food vendors to operate during special events.

She provided Council with a revised Policy which amended Item No. 4 to provide that during special events the Town will not allow vendors to operate on publicly owned property. The Chamber and the Dogwood Festival Committee have their own fee for their special events. Council was also provided with the Permission form that vendors will need to complete prior to obtaining the zoning permit and business license. Ms. McMillan next commented that any food vendors at the Farmers' Market will be covered by the Farmers' Market policy.

Council Member Scheid asked what the Farmer's Market is zoned and Ms. McMillan responded central business. Council Member Scheid asked if a vendor purchased the annual permit of \$50 and then wanted to participate in the Dogwood Festival would they have to pay the \$25 per day as well. Ms. McMillan responded if they are going to be located at the perimeter of the special event, they have to pay the Dogwood or the Chamber of Commerce their \$250 entrance fee, but they do not have to pay the \$25 per day. The Town has been exempting the \$25 fee.

Council Member Adams asked how will a vendor know the perimeter of a special event. Ms. McMillan responded that when a vendor comes in to apply for the business license, they have to state on the permission form where they will be vending. Council Member Scheid commented that most food truck vendors cannot tell where they are going to be on what days a year in advance. Ms. McMillan responded that a concern was brought up to make sure they would not be vending from the school property or in front of a restaurant. After further discussion, Ms. McMillan commented that the policy can be changed if it is too restrictive. Mr. Thompson commented that this was to provide information so Finance would know when to expect their meals tax forms to come in.

Ms. McMillan next commented that the initial proposal was to amend the Town Code. Staff was

asked to develop the policy so vendors could not set up just anywhere in the Town, especially where residentially zoned or in proximity of the school.

The Mayor commented that he understood the change was to encourage business and food truck vendors in the Town by reducing the fee from \$500 to \$50. He would not want this to have a negative impact on any of our festivals.

Ms. McMillan further commented that any food vendor that is going to set up on the public right-of-way or publicly owned property will have to get permission from the Town. As far as the Farmers' Market, they have their own exemption. Mr. Thompson commented that they would fall under a regular business license. Council Member Scheid asked if a food truck vendor wanted to set up at the Farmers' Market when the Brewery is opened, are they exempted or do they come under the mobile food unit policy. Mr. Thompson responded they would be exempted and would have to get a business license according to the policy. If it is a food truck and they use the back parking lot, they would have to get the \$50 license. Council Member Scheid asked the cost of a business license and Mr. Thompson responded it is based off of gross receipts.

Council Member Scheid next commented on the requirement to report exact dates and locations. What we are trying to accomplish is to reduce the fee, but if we make it so difficult for them to get a permit, then they will not come. Mr. Thompson commented that he agreed that Item No. 5 needs to be removed or modified. It was included more for the monitoring of the meals tax, not so much as monitoring where they are at. They can submit the meals tax form every month and if they have no tax for that month, they can put zero on the form.

The Mayor asked how we currently handle the license for itinerant vendors. Mr. Thompson said we have very few inquiries and when we tell them the license is \$500, they are not interested. He did have a hotdog vendor that he allowed to operate for \$50 one summer.

Mary Beth Layman asked if the special events need to identify the perimeter of the festival area. Ms. McMillan responded it would be up to the Dogwood Festival Committee and the Chamber where they

want to control the event perimeter. Ms. Layman commented that they have some idea, but with anticipated changes that could take place, those perimeters could change.

The Mayor asked if we could make the policy so it is not available during any festival. If they want to set up, they have to go through the festival committee no matter where they want to set up. Council Member Scheid then commented that what if a festival is on the lawn of the War Memorial. Does that mean that a hotdog vendor cannot set up at Twin Creeks Brewery or at the HIVE or somewhere else. Council Member Adams commented that the festival would have an established boundary. Mr. Thompson commented that language can be put in the policy that the exclusion would be within the perimeter of the set festival events. The Treasurer's Office would need to be furnished a list of those events and the perimeters.

The Town Attorney asked where these certain festivals are exempted. The current Code basically says if you are an itinerant vendor, you are now going to pay \$50 a year. But if you are also going to be at a festival, in addition to the \$50 a year, you are going to pay \$25 a day. Since we are amending the Code, should we delete this. Mr. Thompson responded that we have not been charging the \$25 fee for events.

Vice Mayor Hare commented that in the essence of time, he would make a motion to table the matter to a future work session; the motion was seconded by Council Member Scheid and carried by the following roll call vote, with all members voting: Vote 5-0; Yeas (5) – Adams, McCarty, Scheid, Hare, Grose; Nays (0) - None.

The next item on the agenda was to consider adoption of an Ordinance to approve Botetourt County's request to join the Roanoke Valley Greenway Commission and the Amended and Restated Intergovernmental Agreement establishing the Roanoke Valley Greenway Commission to include Botetourt County. Anita McMillan commented that Council was briefed on the matter at a work session on May 3rd and the Greenway Commission passed a resolution on March 23rd expressing support of Botetourt County's request. It is anticipated that the four member localities will be adopting similar ordinances by the end of this fiscal

Tabled adoption of an Ordinance amending Section 86-287, Itinerant Vendors Generally; Tax Rate of Article VIII, License, Chapter 86, Taxation of the Vinton Town Code. Anita McMillan began by commenting this amendment is proposed to reduce the itinerant vendor license tax for mobile food vendors from a maximum of \$500 to a maximum of \$50 annually to a future work session

Adopted Ordinance No. 971

year. Vice Mayor Hare commented that the Town members on the Greenway Commission support this recommendation. Council Member Scheid made a motion to adopt the Resolution as presented; the motion was seconded by Vice Mayor Hare and carried by the following roll call vote, with all members voting: Vote 5-0; Yeas (5) – Adams, McCarty, Scheid, Hare, Grose; Nays (0) - None.

The next item on the agenda was to consider adoption of a Resolution authorizing the Interim Town Manager to execute Programmatic Project Administration Agreement (PPAA) Extension Addendum for Glade Creek Greenway Phase 1 Revenue Sharing Project with the Virginia Department of Transportation (VDOT). Anita McMillan commented that Council was briefed on the matter at their May 3rd work session. This Addendum will extend the current agreement for another three years. The Addendum will need to be completed by this Friday and sent to VDOT so they can send to Richmond prior to June 30th. Vice Mayor Hare made a motion to adopt the Resolution as presented; the motion was seconded by Council Member Adams and carried by the following roll call vote, with all members voting: Vote 5-0; Yeas (5) – Adams, McCarty, Scheid, Hare, Grose; Nays (0) - None.

The next item on the agenda was to consider adoption of a Resolution authorizing the Issuance and Sale of its General Obligation Refunding Bond, Series 2016A in a Maximum Principal Amount Not to Exceed \$702,000, and the execution and delivery of certain documents prepared in connection therewith. Barry Thompson commented that Council was presented a refunding schedule at their May 3rd meeting on the 2006 Callable Bonds which showed a savings of \$90,495 or an average debt service of \$8,227 and the 2007 Callable Bonds showed a savings of \$178,518 or an average debt service of \$14,877. Staff reviewed Vice Mayor Hare's request regarding changing of the payment dates and the savings would be reduced. The recommendation is to proceed as originally presented to maximize the savings. Council will need to adopt the Resolutions separately.

Vice Mayor Hare asked if the savings were included in the budget. Mr. Thompson responded that they will be incorporated into the final budget document before it is presented for adoption.

approving Botetourt County's request to join the Roanoke Valley Greenway Commission and the Amended and Restated Intergovernmental Agreement establishing the Roanoke Valley Greenway Commission to include Botetourt County

Adopted Resolution No. 2148 authorizing the Interim Town Manager to execute Programmatic Project Administration Agreement (PPAA) Extension Addendum for Glade Creek Greenway Phase 1 Revenue Sharing Project with the Virginia Department of Transportation (VDOT)

Council Member Adams made a motion to adopt the Resolution as presented; the motion was seconded by Council Member McCarty and carried by the following roll call vote, with all members voting: Vote 5-0; Yeas (5) – Adams, McCarty, Scheid, Hare, Grose; Nays (0) - None.

The next item on the agenda was to consider adoption of a Resolution authorizing the Issuance and Sale of its Water and Sewer Revenue Refunding Bond, Series 2016B in a Maximum Principal Amount Not to Exceed \$1,786,000, and the execution and delivery of certain documents prepared in connection therewith. Council Member McCarty made a motion to adopt the Resolution as presented; the motion was seconded by Council Member Scheid and carried by the following roll call vote, with all members voting: Vote 5-0; Yeas (5) – Adams, McCarty, Scheid, Hare, Grose; Nays (0) - None.

Mr. Thompson commented that we are bringing the interest rates on the 2006 Callable bonds from 5.25% to 2.05% and on the 2007 Callable bonds from 5% to 2.05%.

Barry Thompson commented on damage in the Town from the two storms last week. There was a sink hole on Pine and Coolbrook and the road has been closed to through traffic and our crews have been working. Also, an area of our parking lot took damage again and there was damage on Jefferson Street.

In response to a question about work being done on Hardy Road, Joey Hiner commented that they are looking for a leak in the sanitary sewer forced main. They repaired one leak and have found another one.

Mr. Thompson also commented that this year for the first time they will be submitting the final budget document for the distinguished budget presentation award with the GFOA. There are only six towns out of 25 in the State that have received this award.

Council Member Adams asked if anything can be done about the flooding in front of Famous Anthony's. Mr. Hiner responded that improving infrastructure would be the solution. There are

Adopted Resolution No. 2149 authorizing the Issuance and Sale of its General Obligation Refunding Bond, Series 2016A in a Maximum Principal Amount Not to Exceed \$702,000, and the execution and delivery of certain documents prepared in connection therewith

Adopted Resolution No. 2150 authorizing the Issuance and Sale of its Water and Sewer Revenue Refunding Bond, Series 2016B in a Maximum Principal Amount Not to Exceed \$1,786,000, and the execution and delivery of certain documents prepared in connection therewith

several lines that intersect and many do not have the capacity to handle the current water flow.

The next item on the agenda was the Financial Report for March 2016. Vice Mayor Hare commented that the Finance Committee met last week and reviewed the report. Finances continue to look strong from a budget and cash flow standpoint. We currently have cash in hand of \$3.8 million, up slightly from the prior month. Over the fiscal year, we are up about \$154,000.

The General Fund revenues are up 110% of the projection and spending is right on. Business licenses are doing well and sales and meals tax are continuing to be strong. The Utility Fund is up 105% and the expenditures are up based on the timing of certain projects.

The Committee also reviewed the War Memorial. From a revenue standpoint, it continues to do very well. At this time we are at \$127,000 in revenue and the same time last year we were at \$54,000. Due to maintenance issues with the HVAC and some other expenses, the expenditures are at \$108,000 year-to-date. This same time last year they were at \$47,000. We will be looking at other areas to cover these expenses. This was the lowest month in revenues of \$4,000.00. However, the customer service side of the War Memorial is better than it has ever been.

Vice Mayor Hare made a motion to approve the Financial Report for March 2016 as presented; the motion was seconded by Council Member Adams and carried by the following roll call vote, with all members voting: Vote 5-0; Yeas (5) – Adams, McCarty, Scheid, Hare, Grose; Nays (0) - None.

Approved the Financial Report for March 2016

The Mayor commented on the recent Vinton Relay for Life, a Boy Scout Car Show, the Heritage and Story Telling Festival and a ribbon cutting for the new location of Vinton Computer.

Comments from Council Members: Council Member Adams expressed thanks for all of the well wishes during his recent illness. He also congratulated Council Member Scheid and Keith Liles on winning the election. Council Member McCarty welcomed Council Member Adams back. She also expressed appreciation to Barry Thompson for keeping Council informed. Council

Member McCarty asked who we have received letters of support from for the skateboard park. Mr. Thompson responded we have heard from Congressman Goodlatte's office and they will be endorsing the project for the Town. Also, Senator Kaine's office has agreed to endorse the project. Anita McMillan could provide information to anyone who would like to write a letter in support of the project. Ms. McMillan commented that the appeal has been forwarded by the State to FEMA and FEMA has requested additional information from the engineer.

Council Member Scheid welcomed Council Member Adams back. She then asked if the update of the zoning ordinance could be listed on the Project Management Report to keep it in the forefront. Mr. Thompson commented it should be added and updated as needed.

The next item on the agenda was a request to go into Closed Session pursuant to § 2.2-3711 (A) (1) of the 1950 Code of Virginia, as amended, for discussion for discussion regarding the Interim Town Manager.

Council Member Adams made a motion that Council go into Closed Session; the motion was seconded by Council Member Scheid and carried by the following roll call vote, with all members voting: Vote 5-0; Yeas (5) – Adams, McCarty, Scheid, Hare, Grose; Nays (0) – None. Council went into Closed Meeting at 9:14 p.m.

At 10:02 p.m., the regular meeting reconvened and the Certification that the Closed Meeting was held in accordance with State Code requirements was approved on motion by Vice Mayor Hare; seconded by Council Member Adams and carried by the following roll call vote, with all members voting: Vote 5-0; Yeas (5) – Adams, McCarty, Scheid, Hare, Grose; Nays (0) – None.

Certification of Closed Meeting

Following the closed session, Council discussed in open session the residency requirement for certain department heads. After comments and a lengthy discussion, Council directed staff to draft a residency policy for the Town Manager, Town Treasurer, Chief of Police and Fire Chief to reside within the town's utility service area for consideration at the next Council meeting.

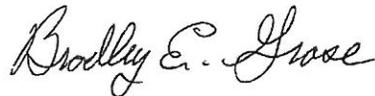
At the request of Council, Mr. Thompson discussed the options of a Finance Director/Treasurer should he be named the Town Manager. The Town Code would allow him to still serve as Treasurer for a period of time while an individual is being mentored in the Finance Department. The Town Code also provides for the appointment of Assistant Directors and possibly that individual could be appointed as an Assistant Finance Director during that time period. At some point, Council could decide if they wanted to advertise for Treasurer or appoint that individual as Treasurer. There is a certification program through the Treasurer's Association that would take a couple of years to complete, but it would not have to be completed before being appointed as Treasurer.

The Mayor requested Barry Thompson to leave the Council Chambers. Council discussed the procedure to appoint Barry Thompson as the Town Manager. They agreed not to advertise the position. Vice Mayor Hare and Council Member Scheid agreed to meet with Mr. Thompson and negotiate his contract. The goal would be to appoint the Town Manager at the next Council meeting.

Vice Mayor Hare made a motion to adjourn the meeting; the motion was seconded by Council Member Adams and carried by the following vote, with all members voting: Vote 5-0; Yeas (5) – Adams, McCarty, Scheid, Hare, Grose; Nays (0) – None. The meeting was adjourned at 10:40 p.m.

Meeting adjourned

APPROVED:



Bradley E. Grose, Mayor

ATTEST:



Susan N. Johnson, Town Clerk

AT A CLOSED MEETING OF THE VINTON TOWN COUNCIL HELD ON TUESDAY, MAY 17, 2016 AT 7:00 P.M. IN THE COUNCIL CHAMBERS OF THE VINTON MUNICIPAL BUILDING, 311 SOUTH POLLARD STREET, VINTON, VIRGINIA.

**CERTIFICATION THAT A CLOSED MEETING WAS HELD
IN CONFORMITY WITH THE CODE OF VIRGINIA**

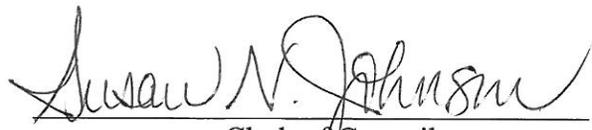
WHEREAS, the Town Council of the Town of Vinton, Virginia has convened a closed meeting on this date, pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and,

WHEREAS, Section 2.2-3712 of the Code of Virginia requires a certification by the Vinton Town Council that such closed meeting was conducted in conformity with Virginia Law.

NOW, THEREFORE, BE IT RESOLVED that the Vinton Town Council hereby certifies that to the best of each member's knowledge:

1. Only public business matters lawfully exempted from opening meeting requirements by Virginia law were discussed in the closed meeting to which this certification applies; and
2. Only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Town Council.

Motion made by Vice Mayor Hare and seconded by Council Member Adams with all in favor.


Clerk of Council