

MINUTES OF A REGULAR MEETING OF VINTON TOWN COUNCIL HELD AT 7:00 P.M. ON TUESDAY, MAY 18, 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  
Elizabeth Dillon, Town Attorney  
Gloria Morgan, Administrative Assistant  
Barry Thompson, Finance Director/Treasurer  
Joey Hiner, Assistant Public Works Director  
Mike Kennedy, Public Works Director  
Anita McMillan, Planning Director  
Ben Cook, Police Captain

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 April 20, 2010
  - 2. Appointment of Assistant Town Manager to the Greater Roanoke Valley Transportation Board – Resolution No. 1871
- E. AWARDS, RECOGNITIONS, PRESENTATIONS
  - 1. Recognition of MPO William Sankbeil as Officer of the Month for April, 2010
  - 2. Proclamation – National Public Works Week – May 16 to 22, 2010
- F. CITIZENS’ COMMENTS AND PETITIONS
- G. PUBLIC HEARING
  - 1. Request to Close Bowman Street Right-of-Way – Ordinance No. 900
  - 2. Proposed Budget for FY 2010-2011
- H. TOWN ATTORNEY
- I. TOWN MANAGER
  - 1. Consideration of Utility Customer Financing Policy
  - 2. Request to Allocate Funding for Renovation of Entrance Signs – Resolution No. 1872
- J. MAYOR
- K. COUNCIL
- L. ADJOURNMENT

WORK SESSION

1. Change of Use Grant Proposal
2. Budget

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

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

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

Approval of Consent Agenda

Mr. Hare read a letter from Chief Cooley recognizing Master Police Officer William F. Sankbeil as Officer of the Month for the month of April 2010.

Awards, Recognitions, Presentations

Mayor Grose recognized the Public Works Department with a Proclamation declaring May 16 to 22, 2010, National Public Works Week. Mayor Grose noted that Public Works Director, Mike Kennedy was in the audience and invited him to speak about planned events for the week.

Mr. Kennedy reported that a luncheon for the Public Works Department would be held this Thursday along with demonstrations of the new sewer video camera navigating through mock up sewer connections. Mr. Kennedy praised his department of thirty six people and noted that they serve the Town citizens every day in an exceptional way. Mayor Grose thanked Mr. Kennedy and also expressed his appreciation for the great job Public Works does throughout the year. He noted that he was proud of our Public Works employees and the pride they take in their work that touches the lives of thousands of people every day in the town.

Mayor Grose also noted that Judy Cunningham, Executive Director of the Vinton Area Chamber of Commerce was in the audience along with two interns who will be assisting her at the Chamber this summer. He welcomed Brittney Howell and Leigh Ann Osborne to the Council meeting and stated that he hoped they enjoyed their time with the Town.

Mayor Grose opened the public hearing at 7:09 P.M. to receive comments and questions regarding vacation of a portion of Bowman Street that lies between East Madison Avenue and Washington Avenue.

Public Hearing held on Ordinance No. 900 to vacate Bowman St. right-of-way

Planning Director, Anita McMillan reported that in March 2010 her department was contacted by Tommy Woods regarding his desire to replace the free-standing sign at Wood's Service Center located on 418 Washington Avenue. She stated that it was determined that the current sign was located in the Bowman Street right-of-way. Ms. McMillan referred to a 1987 file memo that explained Council's intent to vacate this right-of-way after the Washington Avenue road widening project was completed by VDOT.

She explained that all utility companies had been notified and none of them had any problems with vacating that portion of Bowman Street. Ms. McMillan did note that the Vinton Public Works department had expressed a wish to retain a twenty foot easement to a water line that was about thirty-six feet in width and about one hundred feet in length. She explained that seven of the adjoining property owners had also been notified and at this date, no objections had been received. Ms. McMillan respectfully asked for Council's consideration of Ordinance No. 900 to vacate the Bowman Street right-of-way.

Mayor Grose opened up the floor to welcome public comment and inquired if Council had any comments or questions. There was none and Mayor Grose closed the public hearing at 7:12 p.m. and Mr. Nance moved to adopt proposed Ordinance No. 900 to approve the request to vacate the right-of-way on Bowman Street that lies between E. Madison and Washington Avenue. The motion was seconded by Mr. Hare and passed unanimously on a roll call vote.

Mr. Lawrence complemented Karla Turman and Joey Hiner for working so diligently with Mr. Woods to bring this issue before Council and recognized their combined efforts to facilitate the improvements Mr. Wood plans to make at his property. Mayor Grose also expressed his appreciation to staff for all their efforts.

Mayor Grose opened the public hearing at 7:15 p.m. to take comments and questions on the proposed FY 2010-2011 budget. Mr. Lawrence noted that the budget had been formally presented to Council at their last regular meeting. He explained that tonight's public hearing would highlight the major areas of the budget and give members of the public and Council the opportunity to ask additional questions.

Mr. Lawrence reported that the proposed budget of \$10,560,546 consisted of \$7,323,765 in General Funds, \$3,147,531 in Utility Funds and \$89,250 in Capital Improvement Funds. He noted that most of the Town's revenue comes from taxes, charges for various services and other categorical aid from the State. Mr. Lawrence explained that the Town is heavily reliant on business taxes which in return are reliant on a healthy economy. He noted that due to the current economic situation, revenues have been lower which has created a challenge to balance budget priorities without increasing taxes yet maintain core services with minimum impact to the public and Town employees.

Mr. Lawrence reported that to balance the 2010-2011 budget, \$87,000 dollars would be transferred from the unreserved fund balance to the general fund. He commented that the proposed budget reflects the Town's growing cost of providing services with minimal revenue growth. He noted that many needed capital improvement projects had been cut from the budget or

Public Hearing on the  
Proposed Budget for FY  
2010-2011

delayed until revenues increase. He also noted that employees have not received pay raises for the past three years and each department has cut cost down to bare essentials.

Mr. Lawrence also noted that as of June 24<sup>th</sup>, the Communications Department will be transferred to Roanoke County and will no longer be included in the budget. He explained that Council will consider any additional adjustments on this proposed budget and vote on the final budget prior to July 1, 2010.

Mayor Grose thanked Mr. Lawrence for the report on the proposed budget and opened the floor for comments from the public. Ms. Michelle Skeen from Brain Injury Services of SWVA requested that Council remember brain injury survivors as they voted on the budget this year. She explained that her agency helps individuals suffering from brain injury become re-integrated back into society. She reported that three hundred and fifty eight Southwestern Virginia area clients had been served this past year however due to the current economic situation State funding was being cut by 5% for human service agencies for the upcoming year.

Mayor Grose thanked Ms. Skeen and inquired if Council had any additional comments concerning the proposed budget. Mr. Hare commented that he felt the budget conveys a message of what Town priorities are and he felt Council should not shy away from difficult decisions. Mayor Grose noted that the proposed budget was the result of many hours of work by staff and thanked everyone for all their hard work. He stated that he felt the budget would have to be monitored throughout the coming year to make sure revenue does meet the predictions that have been established for the proposed budget. He noted that these economic times require us to be vigilant and pay close attention to funding sources and how it is spent. Mayor Grose closed the public hearing at 7:44 p.m.

Mr. Lawrence reported that the Public Works department had been approached by a citizen at the end of last year inquiring if the Town had a loan program available to finance connections to the Town utility system. He explained that this citizen was currently on a septic system that was failing and the Town does not have a formal policy in place to extend credit or loans to citizens to finance connections to the Town utility system. He noted that this service can end up costing citizens anywhere from \$4000 to \$12,000 dollars.

He reported that Mr. Thompson and Mr. Kennedy had completed research and determined that the Western Virginia Water Authority does have a loan program in place for this type of situation. He pointed out that a "sample" loan or credit policy modeled after the Western Virginia Water Authority program which included amortization table examples and legal provisions to protect the Town of Vinton and Town utility customers, was included in Council's information packet. He noted that this issue was being presented

Consideration of Utility  
Customer Financing  
Policy

to Council to determine if there was an interest in extending credit or loans to Town customers for utility service connections.

Mr. Lawrence indicated that the Finance Committee consisting of Mr. Hare and Mr. Nance had met earlier in the evening and he asked them to present their recommendations to Council at this time. Mr. Nance reported that the Finance Committee had concluded that with the current economic situation and reduced revenues that have required major cuts to the budget, this was not the time to add additional services. He noted that extending this type of loan would also place the Town in the uncomfortable position of enforcing liens on property or possibly having to sue its own citizens in the event the loan was not repaid.

Mayor Grose invited Mr. and Mrs. DeLoatch to address comments to Council concerning this issue. Mr. DeLoatch remarked that the Vinton area was a wonderful place to raise children and the quality of life here was just superb. He explained that over the past months his failing septic system had been backing up through the basement drain on a regular basis. Mr. DeLoatch stated that these were extraordinary times for him and all of those who work for a living and pay bills on diminished income so he definitely understood the Town's economic situation. He commented that in situations like this, people explore any solution possible.

Ms. DeLoatch stated they had contacted the Town because the Health Department would not allow them to repair their existing septic system. She stated that she did not feel this would be setting a precedent as there are only a small number of residents who are not currently connected to the Town's system. Ms. DeLoatch commented that she understands these are hard economic times but pointed out that she is paying taxes to the Town and Roanoke County. She also pointed out that the surrounding counties currently extend this type service to their citizens using the homeowners property as security. She stated that you could not expect people to live in the 21<sup>st</sup> century without sewer or septic service.

Mayor Grose thanked Mr. and Ms. DeLoatch for their comments and asked other members of Council if they wished to move forward on this issue. Mr. Hare pointed out that applications submitted to the Western Virginia Water Authority must document specific levels of need and petitioners must appear before a Director who may or may not approve the request. He wanted to clarify that all applications are not automatically approved by the Water Authority.

Mr. Altice indicated that he did not have a problem if the loan was secured. He stated that he felt this service needed to be offered to citizens that are on septic tanks to prevent polluting of the Town well system. Ms. Fidler stated that she agreed with Mr. Altice and felt this was something that needed to be considered for Town citizens.

Mr. Hare asked Mr. Kennedy's advice on the possible pollution of the Town well system. Mr. Kennedy felt there was some risk depending on the proximity of the wells to the sewer lines, however, he noted the risk was probably minimal as Town wells are typically 400 feet deep.

Mr. Altice asked for clarification on the number of homes in the Town currently on septic systems. Mr. Kennedy replied that he would get the exact breakdown of homes located in the Town and eastern Roanoke County area that Vinton currently serves if needed. He pointed out that there are approximately 30 to 40 homes in Town that could potentially be in a similar situation of needing to connect to the public septic and not being able to afford the cost.

Mr. Kennedy noted that the Virginia Department of Health actually regulates septic systems and issues permits if requirements are met. Mr. Kennedy also pointed out that Vinton Town code does not require homeowners with failed septic systems, to connect to public sewer. Mr. Lawrence suggested that staff approach the Health Department with a request to re-look at the property to determine if the cheaper alternative of fixing the existing septic system was at all possible.

Mr. Lawrence inquired if Council would like to have staff develop a formal written policy and present it at the next meeting. Mayor Grose stated he felt the next step was to check with the Health Department. He noted that he had major concerns about paying taxpayer funds for this type program, however, he would consider looking at a policy. He stressed that before he could support this type of policy, the standards would have to be extremely high and there would have to be no other alternative available for the citizen. Mr. Altice and Ms. Fidler also agreed to look at a formal draft of the policy.

Mr. Kennedy pointed out that customers of the Virginia Western Water Authority pay water rates about 25% to 35% higher than the Town's current water rates. Mr. Lawrence noted that the Water Authority funds the cost of the credit program through their higher rates. Mayor Grose commented that maybe the Town should consider funding a credit program through higher water rates rather than from the general budget fund. He thanked Mr. and Ms. DeLoatch for their attendance.

Mr. Lawrence noted the second item under the Town Manager section concerned a request for Council to allocate funding for the renovation and restoration of primary entrance signs to the Town. He reported that early estimates indicate costs at approximately \$6,684 dollars to refurbish all seven signs. He explained that the interest from the "flower fund" will be used to fund the sign renovation project. He stated that if Council approves the project, the process of taking bids will begin.

Ms. Fidler moved to adopt proposed Resolution No. 1872 approving the request to allocate funding for the renovation of Town entrance signs. The

Approval of Resolution  
No. 1872 to Renovate  
Town Entrance Signs

motion was seconded by Mr. Altice and passed unanimously on a roll call vote.

Mr. Lawrence reminded Council that the Vinton pool will open on June 5<sup>th</sup> with flyers being distributed to promote the event. He noted that volunteers will be at the pool this coming weekend to repaint the bathrooms, clean areas, assemble a concession stand and put up picnic tables. He explained that the picnic tables will be utilized for crafts, program activities and Wednesday night dinners.

Town Manager  
comments

Mayor Grose commented that he had attended the wine festival held last Saturday at the War Memorial. He thanked the Chamber of Commerce for hosting the event and noted that it was a very successful with a large attendance. Ms. Fidler stated that she had also attended the event and everyone seemed to have a great time. Mr. Nance commented that he was sad to hear that the Vinton Voice had ceased operations this week as the newspaper had been a very nice asset for the community.

Comments from the  
Mayor and members of  
Council

There was no further business and Mayor Grose adjourned the regular meeting at 8:45 p.m.

Adjournment

## WORK SESSION

### 1. Change of Use Grant Proposal

Mr. Lawrence noted that change of use issue was one of the items that had been discussed during community meetings held with small business owners over the past months. He explained that as a result of these meetings, this proposal had been developed to facilitate and encourage new business growth within the Town. Mr. Lawrence noted that the intent was to have a more open and easier process by introducing an incentive grant aimed at offsetting costs related to change in use of existing residential structures from residential to commercial use. The grant will be awarded to projects with a minimum investment of \$10,000 in facility upgrades. The one-time grant will equal 30% of eligible renovation costs up to a maximum of \$5,000. Mr. Hare suggested that “eligible” costs be more detailed as to what would or would not be included.

### 2. Budget

Mr. Lawrence noted that during their last meeting, Council had questioned the amount of money currently in the Fund Balance. He reported that Mr. Thompson had put together a report that shows

the trend of how and where money from the Fund Balance had been spent over the last ten years. He explained that Council had spent a lot of money during this period to accomplish large council goals which had drawn down the Fund Balance account.

Mr. Thompson distributed a handout to members of Council and opened a discussion to help Council better understand the trend of spending over the last ten years. He explained that the information being presented was on a modified accrual basis and showed what was in reserve and unreserved general fund balances.

Mr. Thompson gave examples of money that had been spent including the 2001 – 2002 downtown improvements to the sewer, water, sidewalks and architectural and engineering expenses in the amount of \$1,002,753. He pointed out land purchases of the Farmers Market, the Jackson Avenue and Pollard Street properties in the amount of \$384,297. Mr. Thompson noted a cost of \$252,502 to relocate Jaycee Ball Park to Vineyard Park and \$24,350 to relocate the batting cages to Vineyard Park prior to the renovation of the War Memorial. He explained that over and above the costs for the bond issue on the War Memorial, \$297,197 had been paid out of the General Fund for architectural, engineering and consulting fees prior to approval of the renovation. He also noted the purchase of the senior bus for \$45,359 and an ambulance in 2003 for \$71,042.

Mr. Thompson explained that during the years of 2003 through 2009 a total of \$251,028 was spent on the Vinton Business Center property site. He noted repairs to buildings and infrastructures, Town wide, that totaled \$484,338. He explained that this total included items such as a new roof on the museum, a flood wall for public works and general repairs to the firehouse along with other items. He also pointed out a three different contributions to the Veteran's Memorial Monument totaling \$50,000. In addition he noted \$215,973 spent to receive VDOT revenue sharing for paving of Town streets.

Ms. Fidler commented that the spending was done piece by piece over time which made it hard to see the whole picture. Mr. Thompson explained that revenues had not been meeting goals due to the tanking economy. He noted that he had advised Council a year ago that the Town could not take on any more debt even though he knew there were projects that needed to be done. He stated that at the time, his comments had not been received very favorably. He stressed that the Towns revenue stream is stretched right now.

Mr. Altice commented that Council was going to have to learn to say no to some requests. Mr. Lawrence stated that it is not just saying no to funding requests, the Town was going to have to cut current funding. Mr. Thompson pointed out that the quarterly reports and yearly budgets have lots of great information in them. Ms. Fidler agreed that they were a great tool, but that it is just too hard to read them. Mr. Lawrence and Mr. Thompson commented that they would teach Council how to read and interpret the reports. Mr. Altice complemented Mr. Thompson on the information and presentation that had just been given.

Ms. Fidler questioned whether the lease of the seven police cars financed over five years was included in the Police Department budget and Mr. Thompson explained that they were not. He stated in past budgets all vehicular expenditures for departments have been reflected as Capital expenditures. However, this year he had moved these items into debt service. Mayor Grose stated that he felt the lease of the Police cars should be an expense of the Police Department budget and it was only this year that he had realized this expense was not actually included in the Police

Department budget. Mr. Lawrence pointed out that vehicular and equipment expenses for all departments have been reflected as Capital expenditures. He inquired as to whether Council wished to subtract large dollar purchases from each department budget such as leaf collectors or ambulances. He explained that currently, items such as ambulances come out of the General Fund. Mayor Grose stated that he felt that the budget numbers of each department should reflect and include the all expenses. Mr. Hare suggested that since the hour was late, this discussion should be carried over to another work session.

Mr. Nance commented that if projections are not on track next year, re-adjustments will have to be made quickly. He stated that Council had avoided making tough decisions during the past two years by cutting fat from the budget. He stated that tough decisions are going to have to be made if the economy does not improve and then it will not be a question of whether the pool stays open, it will be a question of how quickly the pool can be closed or how many employees to lay off. He noted that he did not believe that prior Councils had made reckless decisions; the situation exists because of economic downturns that could not be forecast.

Mr. Lawrence advised that staff would work on the information received during tonight's session and present the revisions to Council at the upcoming May 25<sup>th</sup> meeting.

The work session adjourned at 10:10 p.m.

APPROVED:

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Bradley E. Grose, Mayor

ATTEST:

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Darleen R. Bailey, Town Clerk