

MINUTES OF A REGULAR MEETING OF VINTON TOWN COUNCIL HELD AT 7:00 P.M. ON TUESDAY, DECEMBER 6, 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
Keith N. Liles
Sabrina McCarty
Janet Scheid

STAFF PRESENT: Barry W. Thompson, Town Manager
Susan N. Johnson, Executive Assistant/Town Clerk
Susan Waddell, Town Attorney
Anne Cantrell, Interim Finance Director
Anita McMillan, Planning & Zoning Director

The Mayor called the regular meeting to order at 7:00 p.m. The Town Clerk called the roll with Council Member Liles, Council Member McCarty, Council Member Scheid, Vice Mayor Hare and Mayor Grose present.

Roll call

After a Moment of Silence, Vice Mayor Hare led the Pledge of Allegiance to the U.S. Flag.

Under upcoming community events, Council Member McCarty announced the New Year's Eve Gala at the War Memorial. The Chamber Open House will be on December 15th from 5:00 p.m. to 7:00 p.m. and the Angel Tree gifts are due back that night. She also commented on the success of the Christmas parade and the Lions Club spaghetti dinner.

Council Member McCarty next expressed thanks to the Police Department for their quick response to the BNC Bank recently when they had an issue with their alarm system.

Council Member McCarty also announced that the Town Employees are doing a sock drive for the Needy Family Program and any donations can be dropped off at the Municipal Building.

Council Member Liles made a motion to approve the Consent Agenda 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) – Liles, McCarty, Scheid, Hare, Grose; Nays (0) – None.

Approved minutes of the regular Council meeting of November 1, 2016

The Mayor commented that Council had received an email concerning an act of kindness that was done by several of the Police Officers. He called on Sergeant Michael Byrd to make comments. Sergeant Byrd commented that they received a call late in the night from an old dispatcher that her neighbor's cat was recently hit and she was out in the yard trying to bury it. She asked if there was something that they could do to help with the burial. He and his officers without hesitation went to the home and each shoveled and assisted in burying the cat. The lady indicated that the cat belonged to her son and she wanted to get it buried before he got up the next morning. The other two Officers were Jordan Keith and Silas Chapman.

The next item on the agenda was a briefing on the Roanoke Valley Resource Authority transportation options. Dan Miles with the Resource Authority first commented that in April when he gave his presentation to Council on the Authority's budget, he informed them of the transition in the rail haul methodology from using the single large gondolas to intermodal containers. This was projected to be a pretty significant costs savings for the Authority. At that time, he also talked about the Salem joining the Authority and having both the Salem Transfer Station and the Tinker Creek Transfer Station.

For several years, he had been in discussion with Norfolk Southern about transitioning to this new technology which was going to save money for both the Authority and cut down on Norfolk Southern's capital costs and they were ready to make the move. When Salem announced that they were going to join the Authority, he contacted Norfolk Southern and informed them since Salem was joining on June 1st, they needed to try and get something set up as soon as possible. There was going to be a transition period and there was no way they could get everything converted over by July 1st. The objective in discussions with Norfolk Southern was to have Salem's waste stream combined with their waste stream being hauled to the Smith Gap Landfill by the end of the year.

Everything was put on fast track and they went out for bid on all of the equipment that was necessary to convert the Salem Transfer Station over to the intermodal containers first. The rail

passed right behind the Salem Transfer Station and it was going to be a fairly easy fix or so they thought. They were getting ready to spend approximately \$5.5 million capital for the initial investment for the equipment necessary to make that conversion. The only thing that was required from Norfolk Southern at the time was a rate per pull for the flat cars because their current contract since its inception had been for a rate per pull for the single gondolas. They advised Norfolk Southern they would need that rate by the Authority's June Board meeting so they could order the equipment for an early fall start up. They did not receive any quote from Norfolk Southern.

Mr. Miles next commented that the Authority Board gave him a figure and told him as long as he was able to negotiate a rate at this figure or less, then he had their contingent authority to move forward with a procurement of the capital equipment to convert over to the intermodal containers. He called Norfolk Southern back and gave them until the July Board meeting. Otherwise, they would have to procure trailers and haul the garbage from Salem's Transfer Station to the Tinker Creek Station where it would be loaded onto the gondolas and shipped out to the landfill.

Ultimately, Norfolk Southern gave a rate, which was higher than he was authorized to secure a contract. At the July Board meeting, they did not have a rate that would continue to move their business, so they bought trailers. The current contract with Norfolk Southern did not expire until June 30, 2018, but the question remained as to what was going to happen if that contract was not re-negotiated.

The other option they had to consider was trucking. The problem with this option was the original promise that they had made to the residents living around the landfill area that they would not put trucks on Bradshaw Road with the exception of an occasional emergency which is written into the use agreement and the landfill operating permit. Over the duration of their contract, they have never had to transport waste by truck directly to the landfill in order to accommodate their needs. The ultimate solution was to use the 5.5 dedicated spur to construct a road. However, the way to connect to the spur

would require traveling the back roads. A total of five parcels were discovered that could be used off of the Ironto Exit of I-81. Three of the parcels were owned by one individual which were already up for sale; one was owned by a real estate developer and the other was owned by a farmer. They were able to negotiate purchase options on all of these properties to construct the connector road. Mr. Miles then referred to a map showing the connector road that would traverse along Reese Mountain Road and cross over the North Fork River and run for about 0.5 of a mile to connect to the 5.5 mile spur.

The trucking option actually out performs the current option and they have informed Norfolk Southern as well as the community in the Bradshaw area of this option. They continue to talk with Norfolk Southern, but have informed them that they are not the only option.

Council Member Scheid asked if the Authority owns the spur track. Mr. Miles responded that they paid Norfolk Southern \$9 million up front to procure the 5.5 mile right-of-way installed rail track, to put in the tipper at the landfill and to buy all of the rail equipment. The contract stipulates that at the end of the first term of the contract or any extension of the contract that the rail spur and all of the land will become the property of the Authority. Because of the liability, they did not want to own the rail spur while Norfolk Southern was transporting waste on it. On July 1, 2018, if they do not extend the contract, it will become the Authority's property.

Council Member Scheid next asked if the financial calculation for using trucks assumes they will be able to pull methane off of the Smith Gap Landfill. Mr. Miles responded it does not and then made further comments regarding the cost of converting the methane gas into a usable compressed natural gas that could be used in vehicles. There would have to be enough vehicles consuming the product to justify the capital investment in the equipment necessary to make the conversion.

Council Member Scheid asked the estimate of the number of tractor trailers that would be entering and exiting the Smith Gap Landfill each day. Mr. Miles responded that during the peak

season in the summer time, there would be 50-60 trucks a day and over the course of a 10-hour day, there would be 100 trips a day at about 10 trips per hour on average. The trucks would probably come through in groups of two or three and then there would be a period of 10-15 minutes and another group would come through. The next step is for the Authority Board to make a determination as to whether or not to purchase the properties. He has recommended the purchase of the properties to put the connector road in place regardless of what happens with negotiations with Norfolk Southern. If they do sign a contract with them to extend the services, he would not expect it to be for more than ten years. They have indicated that long-term contracts are out of the realm of possibility.

The Mayor asked if the trucks would be local contractors rather than their own employees. Mr. Miles responded that they would purchase the trailers and they already have a contract with Thompson trucking for transportation services. When they went out for bid, they knew what the costs would be for the Authority to buy the trucks and do the trucking. They got a very competitive rate from Thompson and have no desire to get into the trucking business.

Vice Mayor Hare asked how long the contract is with Thompson. Mr. Miles responded the additional contract was through June 30, 2018 to coincide with the first term expiration of the contract with Norfolk Southern. They know they are going to have to transport garbage from the Salem location to the Tinker Creek Transfer Station for the duration of the first term of their contract. Starting July 1, 2018, the contract has the option to renew for up to four additional five-year terms with the pricing being mutually agreed upon.

Vice Mayor Hare next asked what would happen if they are not able to negotiate a new contract with Norfolk Southern since a road cannot be built in 24 hours. Mr. Miles responded they are looking at about a two-month period to be able to take up the track and rail ties and convert the spur to a usable road. The paving would be completed later while the road is being used. During this period, they would be transporting the waste to a third-party landfill. They have had discussions with two other landfills to separate

the waste stream out starting July 1, 2018 and have already set the funds aside for this purpose.

Vice Mayor Hare commented on the problems with accidents and congestion on I-81. Mr. Miles commented that the strategy is to have the storage capacity with the trailers that a sufficient amount can be stored over a period time within their regulations. Typically traffic backups on I-81 are for hours as opposed to days and they would have enough trailer capacity to be able to withstand those periods of time when they are not dispatching trucks out.

The next item on agenda was the presentation of the June 30, 2016 Comprehensive Annual Financial Report by Brown Edwards & Company, LLP and consideration of the adoption of a Resolution approving and accepting said Report. Anne Cantrell introduced Travis Gilmer with Brown Edwards.

Mr. Gilmer first commented that the CAFR was reviewed in detail with the Finance Committee on November 29th. He expressed appreciation to Council for the opportunity to serve them and that the Financial staff has always been great to work with. He also commended Anne Cantrell for the job she did with the Audit.

Mr. Gilmer then commented on the CAFR itself, beginning with Page 1 showing the Town received a clean opinion. On Page 14, the General Fund unassigned fund balance was approximately \$2.6 million compared to last year of \$2.36 million. This was a \$246,000 increase or 10% which is a significant positive jump. A good measure of this fund balance is that the Town could survive for almost four months if no more money came in. Generally two or more months is average.

On Page 20 with regard to the Water and Sewer Fund, the operating income was \$787,875 compared to \$656,061 in the previous year. That was a \$132,000 increase or 20%. Beginning on Page 39, there are several pages with regard to the Pension Standard that was implemented last year, which had a significant impact.

On Page 83 is the opinion that covers the compliance aspect of the audit and Page 86 is the schedule of findings and responses. Dating to back almost ten years ago, the segregation of duties continues to be listed, which is very common for small localities, towns and authorities. They have worked with the Town over the past several years to fix the items that were attainable and worthwhile. There was one budget finding relating to the timing of the debt refining at the year end, which was less than \$10,000.00.

Mr. Gilmer next commented on the Independent Audit letter and the Management letter which had comments and suggestions. He also commented on the separate Financial Analysis which breaks the CAFR down into graphs. Ms. Cantrell prepared the cost transmittal this year which saved the Town some considerable costs.

Vice Mayor Hare commented that this was a very good audit. We brought in \$8,252,351 in revenue and spent \$8,211,685. We increased cash in the Utility Fund which is a good indication of a well-run Town with good leadership and staff.

The Town Manager expressed appreciation to Brown Edwards, the Finance Committee and Finance Department for the work on the audit. The Mayor expressed thanks to Mr. Gilmer for the unsolicited email that he sent to Council regarding the audit process.

Vice Mayor Hare 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) – Liles, McCarty, Scheid, Hare, Grose; Nays (0) – None.

The next item on the agenda was to consider adoption of a Resolution for a change order in the amount of \$28,751.80 for the Glade Creek Greenway Phase 1 construction project. Anita McMillan commented that Council awarded a contract to Combs Land Solution, DBA Summit Contracting in the amount of \$173,091.00 for this project. The estimated cost of the entire project is \$262,000.00. The Town received two bids

Adopted Resolution No. 2176 approving the June 30, 2016 Comprehensive Annual Financial Report

for the project with Combs being the low bidder.

When the construction began on September 5th, an issue developed with the size of the drainage pipe. The engineers were under the impression that they could reduce the size because of their calculation on the drainage area. However, it could be reduced and the size of the pipe on the plan was not correct. The total change order is in the amount of \$28,751.80. A table was provided with the agenda showing all the changes. Also, the existing sewer line in front of the donated portion from PFG was not buried deep enough and it was damaged and had to be replaced. The other unforeseen issue was the seepage under the Dale Avenue bridge that had to be addressed. Even with this Change Order, it brings the total spent to about \$232,000.00, which is still within the budget.

Council Member Scheid asked how close they are to finishing the project. Ms. McMillan responded that they are finished with the paving, but because of the time of the year, the site has to be established which will take until March. The contract was extended to make sure that it is stabilized and they are retaining five percent of the final payment.

Council Member Scheid asked when the sewer pipe put in that was not deep enough and Ms. McMillan responded it was back in the 1980's.

At the request of the Town Manager, Ms. McMillan advised Council that last Thursday when she was inspecting the paving for the project she discovered that the contractor doing the bridge work for the City of Roanoke had damaged a portion of the greenway with their heavy equipment. On Monday, she met with the foreman and advised them that patching would not work and they would have to replace the whole section. They had also been driving their equipment on the other side as well.

Council Member Scheid 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) – Liles, McCarty, Scheid, Hare, Grose; Nays (0) – None.

Adopted Resolution No. 2177 for a change order in the amount of \$28,751.80 for the Glade Creek Greenway Phase 1 construction project

The next item on the agenda was to consider a motion to cancel the December 20, 2016 Council meeting. Council Member Liles made a motion to cancel the December 20, 2016 Council meeting; the motion was seconded by Council Member McCarty and carried by the following vote, with all members voting: Vote 5-0; Yeas (5) – Liles, McCarty, Scheid, Hare, Grose; Nays (0) – None.

Cancelled the December 20, 2016 Council meeting

The Town Manager expressed appreciation to the Town employees who volunteered and assisted with the parade line-up. Vice Mayor Hare commented on the banner that was on the Public Works truck and the Town Manager responded that Donna Collins, the Human Resources Director was responsible for that.

The next item on the agenda was the Financial Reports for September and October 2016. Vice Mayor Hare first commented that they met on November 22nd. Valley Metro staff along with Sherman Stovall with the City of Roanoke and Cristina Finch with the Regional Commission attended the meeting and they had a frank discussion about our concerns. He felt that they recognized some of the problems they have and understood where we are at.

Council Member Scheid commented that she was not totally convinced that they get it. She spoke with Cristina Finch later at another meeting and gave her a round-up of how the meeting had concluded since she had to leave early. Ms. Finch commented that the City runs the bus system and suggested that the Town Manager work one-on-one with Sherman Stovall at the City. Council Member Scheid commented that they did agree to do a 60-day count in January and February by stop.

Vice Mayor Hare next commented that it does appear that in the not so distant future there will be some type of reorganization of Valley Metro to look more like the Resource Authority. Valley Metro is solely owned by Roanoke City. The Town is allowed to participate, but there is no contract. They are willing to enter into some type of Memorandum of Understanding, but we have no negotiating room other than to decide what routes we are willing to pay for.

Council Member Scheid commented that part of

our frustration was not having a seat on the Board every year since we now rotate every two years with Salem. If they do reorganize to model the Resource Authority, we would have seat on the Board.

There was some discussion toward the end of the meeting with regard to the monthly pass with RADAR. They have been discussing limiting the number of rides someone can take each month. There is a hesitation to take that discussion to the Board, but we need to push that. Perhaps we need to have some discussion with Salem.

Council Member Scheid next commented that she suggested doing away with the monthly pass and riders would pay as they go. Mr. Palmer had some good arguments as to why it was not a good idea to do away with the monthly pass, one being that some people with physical challenges have a hard time making change and handling money.

After further comments from Council regarding the Valley Metro matter, Vice Mayor Hare next commented on the October 2016 Financial Report. The General Fund revenues were off just slightly from the projection by \$27,598 and expenditures by \$5,938. The Utility Fund is exceeding our revenue projection at 114% and expenditures are under our projection. Cash on hand in comparison to last year at this time is up \$55,000.

With regard to revenues in the General Fund, the meals and sales taxes continue to do very well. The cigarette tax is actually up from where it was projected.

There will be some challenges to the budget with regard to the sink holes that we had this year because no funds were budgeted to cover them. We have asked the Finance team to come up with some recommendations on how to cover these costs for the next Finance Committee meeting.

Council Member Scheid commented that a policy for the purchase of right-of-way property will be drafted by staff and reviewed at the next Finance Committee meeting.

Vice Mayor Hare commented on a review of the

business license rates in comparison with other localities. The Town Manager commented that the business license rates will be brought up during the budget discussions.

Vice Mayor Hare made a motion to approve the September and October 2016 Financial Reports; 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) – Liles, McCarty, Scheid, Hare, Grose; Nays (0) – None.

Approved September and October 2016 Financial Reports

Vice Mayor Hare next commented that the Finance Committee has three Resolutions to present with regard to the current Interim Finance Director, Anne Cantrell, and their desire to appoint her at the Town Treasurer.

Vice Mayor Hare read the first Resolution appointing Anne W. Cantrell as the Town Treasurer and 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) – Liles, McCarty, Scheid, Hare, Grose; Nays (0) – None.

Adopted Resolution No. 2178 appointing Anne W. Cantrell as the Town Treasurer

The Town Manager introduced Ms. Cantrell's parents, Reverend David Whitehurst and Dr. Cherie Whitehurst, along with Henry Cantrell, her husband, who were in the audience.

Vice Mayor Hare read a second Resolution authorizing Anne W. Cantrell to countersign checks and warrants and 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) – Liles, McCarty, Scheid, Hare, Grose; Nays (0) – None.

Adopted Resolution 2179 authorizing Anne W. Cantrell to countersign checks and warrants

Vice Mayor Hare made a motion to adopt a third Resolution authorizing Barry W. Thompson to countersign checks and warrants and 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) – Liles, McCarty, Scheid, Hare, Grose; Nays (0) – None.

Adopted Resolution No. 2180 authorizing Barry W. Thompson to countersign checks and warrants

Ms. Cantrell made comments and expressed appreciation for Council appointing her as Treasurer.

The Mayor extended holiday greetings to Council, staff and citizens. He then read some prepared comments reflecting on all that has happened in the Town during the past year and expressed his appreciation to all of Council and Town staff. The Mayor also made comments regarding, December 7th, being Pearl Harbor Day.

Comments by Council: Council Member Liles commented that he was out of town for many of the Town holiday events, but understood that they were all very successful. Council Member McCarty commented on the hiring of Mary Ann Brenchick, who will be handling the stormwater management for the Town. She also commented on the wonderful staff and all that is happening in the Town. Council Member Scheid commented on the success of the Employee Holiday Luncheon and the Grand Opening of the Twin Creeks Brewery. Vice Mayor Hare extended thanks to the Chamber and Town staff for the success of the Christmas Parade. He also mentioned that he was always reminded at this time of year of Vice Mayor Obenchain and the impact that he had on the community. All of Council expressed holiday greetings to everyone.

The next item on the agenda was a request to convene in Closed Meeting, pursuant to §2.2-3711 (A) of the 1950 Code of Virginia, as amended, for discussion regarding appointments to boards and commissions as authorized by subsection 1.

Vice Mayor Hare made a motion to convene in Closed Session; the motion was seconded by Council Member Scheid and carried by the following vote, with all members voting: Vote 5-0; Yeas (5) – Liles, McCarty, Scheid, Hare, Grose; Nays (0) – None. Council went into Closed Session at 8:56 p.m.

At 9:55 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

Certification of Closed Meeting

Liles and carried by the following roll call vote, with all members voting: Vote 5-0; Yeas (5) – Liles, McCarty, Scheid, Hare, Grose; Nays (0) – None.

Council Member Scheid made a motion to adjourn the meeting; the motion was seconded by Vice Mayor Hare and carried by the following vote, with all members voting: Vote 5-0; Yeas (5) – Liles, McCarty, Scheid, Hare, Grose; Nays (0) – None. The meeting was adjourned at 9:56 p.m.

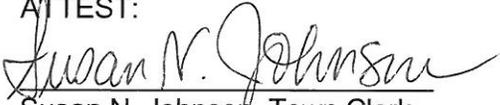
Meeting adjourned

APPROVED:



Bradley E. Grose, Mayor

ATTEST:



Susan N. Johnson, Town Clerk

AT A CLOSED MEETING OF THE VINTON TOWN COUNCIL HELD ON TUESDAY, DECEMBER 6, 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**

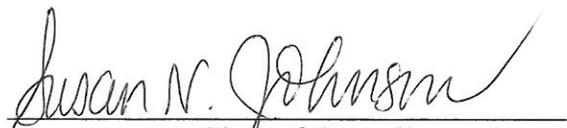
WHEREAS, the Town Council of the Town of Vinton, Virginia has convened a closed meeting on this date, pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and,

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 Liles with all in favor.


Clerk of Council