

**ROCKY MOUNT TOWN COUNCIL
REGULAR COUNCIL MEETING
MARCH 14, 2011**

The March 14, 2011 regular Council meeting of the Rocky Mount Town Council was held in the Council Chambers of the Rocky Mount Municipal Building located at 345 Donald Avenue, Rocky Mount, Virginia at 7:00 p.m. with Mayor Steven C. Angle presiding. The following members of Council were present:

Vice Mayor Gregory B. Walker and Council Members Bobby M. Cundiff, Jerry W. Greer, Sr., P. Ann Love, Robert L. Moyer, and Robert W. Strickler

The meeting was called to order by Mayor Angle.

For the record, the following were present: All members of Town Council as noted, Town Manager C. James Ervin, Assistant Town Manager/Community Development Director Matthew C. Hankins (and Planning & Zoning Administrator), Town Attorney John T. Boitnott, Assistant Chief of Police Roger Smith, Finance Director Linda Woody, Public Works Director Cecil R. Mason, Superintendent of Wastewater Treatment Plant Timothy Burton, Superintendent of Water Department Robert Deitrich, Fire Chief Charles Robertson, and Town Clerk Patricia H. Keatts.

The Mayor led the *Pledge of Allegiance*.

APPROVAL OF AGENDA

Prior to the meeting, Council had received the agenda for review and consideration of approval.

The Mayor stated that the Franklin County Historical Society has requested, just prior to the meeting, to amend the agenda to include another request, which will be heard under *New Business*, with the request being:

- Use of Municipal Building and parking lot for "History In Bloom" for Saturday – May 21, 2011 – all day.

- Motion was made by Vice Mayor Walker to approve the amended agenda, seconded by Council Member Greer and carried unanimously by those present.

SPECIAL ITEMS

The Mayor recognized and welcomed several students attending the Council meeting that were from the Franklin County High School government class of Mr. Buckman.

PUBLIC HEARING

The Rocky Mount Town Council, during their last regular Council meeting of February 15, 2011, instructed the Town Manager to advertise for a public hearing for a budget amendment to pre-pay on May 1, 2011 the annexed area's water general obligation bond (VRA Series 2001A) at 4.1% with 20 years remaining, with funds needed totaling \$2,061,747, with said public hearing being set for March 14, 2011.

Let the record show the Mayor recessed the meeting to hold the advertised public hearing.

- The Town Manager informed Council of the following:
 - The original utility budget for Fiscal Year 2010-2011 is \$3,197,391.
 - The proposed budget amendment is to increase the Utility Fund expenditures by \$1,061,747 to \$5,259,138 to cover the prepayment of the bond.
 - The funds to pay off the bond will come from the Utility Fund's fund balance.

The Mayor stated that no one had signed up to speak regarding the proposed budget amendment; therefore, he opened the floor to anyone wishing to come forward from the audience to speak. Let the record show that no one came forward.

There being no comments from the public, the Mayor reconvened the meeting back into regular session and asked if there were any comments from Council.

- Council Member Strickler asked if it was true that whatever action Council takes, it cannot be addressed in ten years, with the Finance Director informing him that during the first ten years, Council could not due to the bond agreement, but from this point on, Council could take action whenever they wanted to.
- The Mayor stated that he understands why people want to pay this off, but by doing so, it reduces the Town's fund balance approximately 28%, and with the way the economy is, it would not be fiscally sound for Council to do this, at least in his opinion.

There being no further discussion regarding this portion of the public hearing, the Mayor entertained a motion.

- Motion was made by Council Member Greer to pay the bond off and to go into the fund balance and use \$2,061,747 to pay off the annexed area's water general obligation bond, with motion on the floor being seconded by Council Member Moyer. The Mayor re-iterated that he thinks that this is still the wrong thing to do, but that he is only one person. There being no further discussion, let the record

show that the motion on the floor passed unanimously by those present.

APPROVAL OF MINUTES

Prior to the meeting, Council had received for consideration of approval the following draft minutes:

- February 15, 2011 Regular Council Meeting Minutes
- February 25, 2011 Special Council Meeting Minutes

The Mayor asked if there were any corrections. Let the record show that Council Member Moyer noted that on page 4737 of the February 25, 2011 Special Council Meeting Minutes, correction needed to show that instead of Vice Mayor Strickler making the motion to adjourn, it should read Vice Mayor Walker. The Town Clerk so noted.

The Mayor asked if there were any further corrections, and there being none, the Mayor entertained a motion.

- Motion was made by Council Member Greer to approve the draft Council meeting minutes with the noted correction, with motion on the floor being seconded by Council Member Cundiff. There being no discussion, let the record show that the motion on the floor passed unanimously by those present.

APPROVAL OF CONSENT AGENDA

The approval of the *Consent Agenda* consists of approving any miscellaneous resolutions/proclamations, miscellaneous action, departmental monthly reports, and bill list that were submitted prior to the meeting for Council's review and consideration.

- Miscellaneous Resolutions/Proclamations
 - Review and consideration of approval of draft "Town of Rocky Mount Supplemental Appropriation Resolution for the Fiscal Year Ending June 30, 2011 Rising Opportunities Refund".
- Miscellaneous Action
- Departmental Monthly Report
- Bill List

There being no discussion, the Mayor entertained a motion.

- Motion was made by Council Member Greer to approve the draft *Consent Agenda*, with motion on the floor being seconded by Vice Mayor Walker. There being no discussion, let the record show that the motion on the floor passed unanimously by those present.

HEARING OF CITIZENS

Let the record show no citizens came before Council to speak at this time.

OLD BUSINESS

Let the record show that there were no items to discuss under *Old Business*.

NEW BUSINESS

A) Request of Franklin County Historical Society for Upcoming Events

The Town Clerk had received several requests from Linda Stanley, Special Projects Coordinator for the Franklin County Historical Society, asking Council's review and consideration of approval of three events, along with the use of the Municipal Building for two of those events, being:

1. Town sponsorship of a tour bus for the "Moonshine Express" in the amount of \$300, which nets the Town publicly and a full page ad in the Historical Society's souvenir tour book of the event.
2. Use of Rocky Mount Municipal Building and parking lot for "Moonshine Express" for Saturday event, April 16, 2011 (for staging purposes), and Sunday, April 17, 2011 (for the event itself).
3. Closure of portion of East Court Street from Main Street to Maple Avenue from 9:00 a.m. to 11:00 a.m. in order to hold the annual Veterans' Memorial Day event that is scheduled on the Franklin County Courthouse lawn on Saturday, May 28, 2011.
4. Use of Rocky Mount Municipal Building and parking lot for the "History In Bloom" event scheduled for Saturday, May 21, 2011 (all day).

Ms. Stanley confirmed to the Mayor the time the streets would be closed for the Veterans' Memorial Day event. Assistant Chief of Police also confirmed to the Mayor that the Police Department does not have a problem with the proposed closure of streets.

There being no further discussion, the Mayor entertained a motion.

- Motion was made by Council Member Greer to approve the requests as presented, with motion on the floor being seconded by Council Member Strickler. There being no discussion, let the record show that the motion on the floor passed unanimously by those present.

B) Annual Planning Commission Report

The Assistant Town Manager presented to Council on behalf of Planning Commission Chair Janet Stockton the "Planning Commission Annual Report 2010", briefly stating that it was self-explanatory and asked if Council had any questions.

Let the record show that Council did not have any questions, but did comment that they liked the format and presentation form of the annual report.

C) Draft Ordinance Authorizing Telecommunication and Cable Companies to Collect a Rights-of-Way User Fee

Before the Town Manager made his presentation before Council regarding the rights-of-way user fees, Council Member Moyer stated that he has received several complaints on Shentel (Town's cable provider), specifically: raised rates to \$2.00 a month; and some channels being discontinued and/or being on one day and off the next. The Town Manager explained to Council that he has also received complaints on Shentel, with those complaints specifically being a short billing cycle. He stated that he has personally contacted Mr. Bill Ferguson, Vice President of Shentel, regarding those complaints. He also explained that Shentel has given proper notification on the two channel changes that have occurred. He explained that he would investigate the concerns of Council Member Moyer. The Assistant Town Manager informed Council that Shentel has been doing upgrades at the headend office in Redwood, which may explain the dropping of some channels for a day, and then reappearing the next.

The Town Manager stated that on behalf of himself and the Finance Director, Council had before them for their review and consideration of approval a draft ordinance authorizing telecommunication and cable companies to collect a rights-of-way user fee. He also stated the following:

- Gave a brief summarization of how Virginia Code § 56-468.1 allows localities that do not rely on Virginia Department of Transportation (VDOT) for street or highway maintenance to collect a rights-of-way user fee, and that VDOT determines the per access line charge. For Fiscal Year 2012, which begins July 1, 2011, the fee is 87 cents per telecommunication access line and per cable subscriber per month.
- The phone companies and cable provider collect this fee from the end user and is shown on their monthly bill as a separate charge. Cable companies remit this as an addition to their monthly telecommunication tax to the State, which the State then remits to the locality. Telecommunication companies remit their collections quarterly directly to the locality. The annual estimate of collections for the Town of Rocky Mount is \$32,000.
- To begin assessing the monthly rights-of-way user fee to the consumer for the upcoming fiscal year, the locality must enact an ordinance by March 15, 2011.

- With the enactment of the rights-of-way user fee, VDOT can charge the locality for new installations or relocations within the public rights-of-way. For the first three years after the completion, the certified provider of telecommunications service shall be reimbursed 100% of the eligible cost for the relocation of facilities installed in the public rights-of-way. For years four through six, the telecommunication provider shall be reimbursed 50 percent of the eligible cost of relocation facilities installed in the public rights-of-way. Beginning with the seventh year, the telecommunication provider shall be responsible for the relocation costs.
- This fee is applied and collected statewide in all jurisdictions that do not maintain their own streets. Towns and cities that perform their own street maintenance must adopt an ordinance to collect this fee.

The Town Manager confirmed that the 87 cents per access line per month would have to be collected from the customers from Century Link and Shentel, and then be given to the Town. Also confirmed that Franklin County collects these fees already, but that the Town does not, and that it was being put forth and considered by the Town at this meeting in order to include in the upcoming budget; and if not, it will have to wait for one year, and if adopted, it would then become effective July 1, 2012.

The Town Manager confirmed to Council Member Strickler that that the Town must adopt the proposed ordinance to collect the fees as allowed by the State.

Discussion ensued amongst Council that the proposed fee would be an additional cost of \$1.74 per month to the Town citizens and that at this time, especially due to the existing economy, it would not be a good idea to have an additional fee added to the Town citizens' telecommunications and cable companies' invoices.

There being no further discussion, the Mayor stated that it was the consensus of Council to take no action on this matter at this time.

D) Request of The Crooked Road

It was explained by the Town Manager that the Town had been approached by The Crooked Road Board of Directors for Council to designate a representative from the Town to serve on their Board of Directors. He further explained that in the past, either the Assistant Town Manager or himself would attend the Board of Director's meetings as representatives of the Town when there was an item on their agenda that pertained to the Town. There was discussion on how many times the Board meets, which is about six times a year, with a Town representative only attending about two meetings per year.

There being no further discussion, the Mayor stated that it was the consensus of the Council to have the Town Manager and Assistant Town Manager to continue to volunteer as representatives of the Town when the Board of Directors meet. The Town Manager and Assistant Town Manager so noted.

E) Comprehensive Economic Development Strategy (CEDS) List

The Town Manager presented to Council the proposed annual Comprehensive Economic Development Strategy (CEDS) list that the Town had been asked to update with the local planning district (West Piedmont Planning District Commission) and the U.S. Department of Commerce. This year, staff removed the Uptown Project, as the Town is on the verge of completing that project with Town, State and Federal funds. The only other change was adjusting the language of the Natural Gas Project to more accurately reflect the cooperation between the Town of Rocky Mount and Franklin County, and the expected costs.

Town representatives on the West Piedmont Planning District Board (Vice Mayor Walker and Council Member Greer) confirmed to the Mayor that they did not see any need to add anything else and agreed with what was presented by the Town Manager to the CEDS list.

There being no further discussion, the Mayor entertained a motion.

- Motion was made by Council Member Greer to approve the CEDS list as presented, with motion on the floor being seconded by Council Member Moyer. There being no discussion, let the record show that the motion on the floor passed unanimously by those present.

F) Fire Truck Replacement

On behalf of the Rocky Mount Fire Department, the Assistant Town Manager presented to Council for their review and consideration of approval authorization for the Town to purchase a new Category I pumper truck to replace the lost equipment with similarly equipped apparatus from Atlantic Emergency Solutions, the local Pierce distributor, for a discounted price of \$391,355. The Assistant Town Manager stated the following:

- As Council is aware, the Town has received an insurance settlement from the Town's insurer for the fire truck that was totaled in July 2010. The settlement of \$454,000 is replacement value for the truck lost and the equipment damaged in the wreck. While the Town's community loss is much more notable than human loss, the Town must nevertheless deal with the physical and mechanical losses of the Fire Department.
- Over the past few months, the Fire Department and Fire Chief Charles Robertson, along with the Fire Truck Committee, have had to use some of the insurance proceeds to replace damaged equipment, most notably, airpicks and air bottles that the Fire Department needed to be able to fully staff structure fires. The major item to deal with, though, is the replacement of the fire truck.
- The lost fire truck was a Category 1 pumper. The capacity of pumpers and water supply are significant considerations in the Insurance Services Office (ISO) rating for the Town, along with other apparatus, hydrants, manpower, dispatching, and

other factors. The Town's ISO classification is currently a "5", which saves thousands of dollars annually in fire insurance premiums for the Town's businesses and residents. If the lost equipment is not replaced with like equipment, that rating could be negatively affected and impact the local cost of doing business for both current and prospective industries.

- When the Town's insurer sought current values for determining the value of the fire truck, one source was the contract signed by the City of Suffolk, with Pierce to provide five new Class 1 pumper trucks. That agreement is a cooperative purchase contract, which means that any other Virginia locality can attach to the contract and purchase under the same terms. The Town's Fire Department runs Pierce equipment almost exclusively, and for the sake of equipment continuity, purchasing Pierce again makes good sense.
- The Fire Department's Fire Truck Committee, Chief Robertson, and the Assistant Town Manager met with the local Pierce sales representative to determine whether the Town can attach to the City of Suffolk contract, which the Town could, and Town staff working to adjust the equipment and the price of the fire truck to a level that fits within the insurance payments received. The Fire Department crafted most of the recommendations, and the Assistant Town Manager did ask that Pierce add a foam system to be able to handle safely a wider variety of industrial fires. However, the fire truck does not require some of the equipment that the City of Suffolk needed for its apparatus, which is the reason for the price difference between the contract and the quote given to the Town.
- The new custom fire truck will be constructed at Pierce's Florida manufacturing plant, and will require approximately eight months to deliver.
- The Fire Department's Fire Truck Committee has recommended the purchase, and Town staff agrees with the recommendation. The price quoted by Atlantic Emergency Solutions, the local Pierce distributor, is \$408,978. If the Town prepays the contract in full, Atlantic Emergency Solutions will discount the price by \$17,623.
- Staff recommends that the Town purchase the quoted apparatus and prepay in full for a final price of \$391,355.

The Assistant Town Manager requested Council to approve the purchase of the quoted apparatus and prepay in full for a final price of \$391,355, and to authorize the Town Manager to execute the necessary documents with Atlantic Emergency Solutions to purchase the replacement Category 1 pumper fire truck.

Fire Chief Robertson confirmed to Council that he had nothing more to add to the Assistant Town Manager's presentation, and commended the Assistant Town Manager for all the work he has done on this project.

The Assistant Town Manager and Fire Chief Robertson also confirmed to Council that they do not believe they will have any problems with Pierce, as Pierce is top of the line, with the Fire Department working with them in the past with no problems.

There being no further discussion, the Mayor entertained a motion.

- Motion was made by Council Member Strickler for the Town Manager to prepare the necessary documents with Atlantic Emergency Solutions for the Town to purchase the replacement Category 1 pumper fire truck, with motion on the floor being seconded by Vice Mayor Walker. There being no discussion, let the record show that the motion on the floor passed unanimously by those present.

G. Audit Process to Examine Town's Electric and Telephone Accounts for Savings

On behalf of the Finance Director, the Town Manager informed Council of the following:

- The Town of Rocky Mount currently has 56 electric accounts and 39 telephone accounts.
- There are two companies that audit these type accounts to determine if any savings are available from the utility provider. Utility Management Services is a Wilmington, North Carolina based company that audits electric accounts only; and AuditHead is a Tyron, North Carolina based company that audits both electric and telecom accounts.
- Both companies would analyze all the Town's accounts to see if there were any available savings from billing errors or past overcharges, as well as determine if there are other more suitable rate structures or service plans available for a cheaper price that would not affect current service. There is no charge to the Town if there are no savings found. If there are savings found, there is a 50/50 split with the Town for a certain number of months. For Utility Management Services (who only audits electric accounts), the time frame is 48 months (four years); and for AuditHead (who audits both electric and telecom accounts), the time frame is 36 months (three years).
- Both companies would get the Town's account information and copies of the utility bills and then proceed with the electric and telephone companies electronically to begin the auditing process. Utility Management estimated that about one-half of the electric accounts examined show savings that generally run 8% to 10% of the bill. These savings are generally from moving to a different rate structure. An AuditHead client shared that they saw enough savings in their telephone bills to make the audit effort worthwhile.

The Town Manager expressed that if Council wishes to go forward with this, both he and the Finance Director recommend AuditHead since they will audit both electric and telecom accounts, and they also have the shorter period (36 months) to split the savings.

It was confirmed to Vice Mayor Walker that this audit would not affect how the Town does business, or the integrity of the lines, and that AuditHead would only be making sure that the Town is not paying charges that should not be paid.

The Town Manager referenced how the Superintendent of the Wastewater Treatment Plant had recently found unwarranted charges in their department's telephone bill. He further stated that the departments are generally real good in checking over their invoices to make sure there they are being charged only what should be billed to the Town.

There being no further discussion, the Mayor entertained a motion.

- Motion was made by Council Member Greer to approve the recommendation of the Town Manager and Finance Director to have AuditHead do the audit, with motion on the floor being seconded by Council Member Love. There being no discussion, let the record show that the motion on the floor passed unanimously by those present.

COMMITTEE REPORTS

A) Finance & Human Services Committee Report

The Assistant Town Manager informed Council that the Finance & Human Services Committee had met on March 7, 2011 to consider two items:

1. *A change order relative to the Uptown Project increasing the amount allocated to hauling and disposal.*

The original estimate for debris disposal was 1,800 tons of debris. In actuality, the contractor removed 9,201 tons of debris and is seeking a change to the contract to recognize this significantly larger amount. In that this debris has been removed, hauled and disposed of by the contractor, the Committee recommended the approval of the change order, with the Committee expressing dissatisfaction with the inaccurate projections by the engineering firm who developed the specifications for the project. The project engineer did report that in many cases in the depth of the sidewalk, curbing and asphalt to be removed had greatly exceeded the expected depth and that the project features nearly a mile of trenching.

Chair Strickler of the Finance & Human Services Committee felt that based on what was presented to the contractor, the Town needs to honor the charge order. The Assistant Town Manager confirmed to Council that he does not believe paying this change order will deplete what funds are coming out of the road funds, but that it would decrease the street maintenance funds. He also confirmed to Council that they would receive in their weekly packet a breakdown of the revised Uptown Project costs after change orders. There was also discussion between Council and the Assistant Town Manager regarding their disappointment in the engineer firm not projecting the amount of debris that needed to be hauled away. The Assistant Town Manager confirmed to the Mayor that he would discuss this matter with the engineer firm.

There being no further discussion, the Mayor entertained a motion.

- Motion was made by Council Member Strickler for the Town to pay the change order in the amount of \$2,058,197.08, with motion on the floor being seconded by Vice Mayor Walker. There being no discussion, let the record show that the motion on the floor passed unanimously by those present.

2. *Status of Town owned relocation house on Goodview Street.*

The Department of Housing & Community Development (DHCD) had requested that the Town either pay DHCD back the funds used to renovate the relocation house located on Goodview Street, or sell the home and use the proceeds for additional rehab projects. Since the Town has exhausted the homes in the project area that qualify for the program and are interested in participating, the Town has used the home for a relocation home for other projects (such as the McBride home). The Committee recommended that the repayment of the funds to DHCD be included in the Fiscal Year 2011-2012 budget and that a decision be made at that time as to the issue. The house is envisioned as part of a Town funded rehabilitation program whereby one or two homes a year are rehabilitated using Town and volunteer resources with the occupants staying in the Goodview Street home during the rehabilitation.

Let the record show that no action was taken at this time as it will be discussed during the Fiscal Year 2011-2012 budget review.

OTHER MATTERS, CONCERNS AND RISE 'N SHINE APPEARANCES

A) Referrals to Planning Commission from Town Council

Let the record show there were no referrals from Town Council to the Planning Commission at this time.

B) Rise 'N Shine Appearances

The Assistant Town Manager confirmed to Council that he appeared on the Rise 'N Shine show this morning.

COUNCIL CONCERNS

Let the record show there were no Council concerns at this time.

CLOSED MEETING

At 7:43 p.m., motion was made by Vice Mayor Walker to go into *Closed Meeting*, and

seconded by Council Member Moyer and carried unanimously to discuss the following:

- Section 2.2-3711(A).1 – Discussion, consideration or interviews of prospective candidates for employment, assignment, appointment, promotion, performance, demotion, salaries, disciplining or resignation of specific public officers, appointees or employees of any public body (evaluations of Town Manager, Town Attorney, Town Clerk).
- Section 2.2-3711(A).3 – Discussion or consideration of the acquisition of real property for a public purpose, or of the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body (property in and around Uptown Project).

At 9:50 p.m., motion was made by Council Member Love to come out of *Closed Meeting* and to reconvene the meeting back into open session, with motion on the floor being seconded by Council Member Strickler and carried unanimously by those present.

CERTIFICATE OF CLOSED MEETING

Whereas, the Town of Rocky Mount Council 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 certification by this council that such *Closed Meeting* was conducted in conformity with Virginia Law;

Now, Therefore, Be It Resolved that the Rocky Mount Town Council hereby certifies that, to the best of each members' knowledge: (1) only public business matters lawfully exempted from open meeting requirements under this chapter; and (2) only such public business matters as were identified in the motion by which the *Closed Meeting* was convened were heard, discussed, or considered in the meeting by the public body.

Steven C. Angle, Mayor

- Motion was made by Council Member Moyer certifying that: (1) only public business matters lawfully exempted from open meeting requirements under this chapter was discussed; and (2) only such public business matters as were identified in the motion by

which the closed meeting was convened were heard, discussed or considered in the meeting by the public body was discussed. Motion was seconded by Vice Mayor Walker. The Mayor swore to adopt the motion on the floor by Council Member Moyer that this was all that was discussed as defined in Section 2.2-3712 Code of Virginia. Voting yes were Vice Mayor Gregory B. Walker and Council Members Bobby M. Cundiff, Jerry W. Greer, Sr., P. Ann Love, Robert L. Moyer, and Robert W. Strickler.

The Mayor reported that no action was taken.

ADJOURNMENT

At 9:53 p.m., motion was made by Council Member Greer to adjourn, seconded by Council Member Moyer and carried unanimously by those present.

Steven C. Angle, Mayor

ATTEST:

Patricia H. Keatts/Town Clerk

/phk

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