

**ROCKY MOUNT TOWN COUNCIL
REGULAR COUNCIL MEETING
MAY 13, 2013**

The May 13, 2013 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 Billie W. Stockton

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, Lieutenant of Investigations Kenneth Criner (in lieu of Chief of Police David Cundiff), Finance Director Linda Woody, Public Works Director Cecil R. Mason, Town Planner Patrick Rust, Superintendent of Water Department Robert Deitrich, Superintendent of Wastewater Department Timothy Burton, 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. Council Member Love requested that the agenda be amended to add under "Old Business" the draft amended supplemental appropriation resolution regarding Performance Center renovation and construction.

- Motion was made by Council Member Love to approve the amended agenda as presented, seconded by Council Member Stockton and carried unanimously by those present.

SPECIAL ITEMS

Let the record show that placed on the agenda was special recognition to former Assistant Chief of Police Roger Smith for 25 years of service to the Town of Rocky Mount, but due to Mr. Smith not being able to attend, the Mayor mentioned that it would be presented at another time.

PUBLIC HEARING

Let the record show that there were no public hearing items at this time.

APPROVAL OF MINUTES

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

- April 8, 2013 Council Regular Meeting
- April 11, 2013 Council Budget Work Session No. 1
- April 15, 2013 Council Budget Work Session No. 2
- April 17, 2013 Council Work Session
- May 6, 2013 Council Fiscal Year 2014 Budget Public Hearings

The Mayor asked if there were any changes to the draft minutes, and there being none, the Mayor entertained a motion.

- Motion was made by Council Member Cundiff to approve the Council meeting minutes as presented 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.

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 (*none at this time*)
- Miscellaneous Action (*none at this time*)
- Departmental Monthly Report
 - Community Development
 - Finance Department
 - Fire Department
 - Police Department
 - Public Works Department
 - Waste Water Department
 - Water Department
- Bill List

There being no comments, the Mayor entertained a motion.

- Motion was made by Council Member Love 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 that no one had contacted the Town Clerk's office requesting to come before Council. At this time, the Mayor opened the floor to anyone wishing to come forward to speak. Let the record show that no one came forward at this time.

OLD BUSINESS

- A. Review and consideration of approval of: (1) draft "Town of Rocky Mount Fiscal Year 2014 Appropriation Resolution"; and (2) draft "Town of Rocky Mount Fiscal Year 2014 Tax Rates and Fees Resolution".

The Mayor introduced both draft resolutions as presented to Council for consideration of approval. There being no comments, the Mayor entertained a motion.

- Motion was made by Vice Mayor Walker to approve both draft resolutions as presented, with motion on the floor being seconded by Council Member Stockton. Discussion ensued. Council Member Cundiff requested that both draft resolutions be separated out and voted on separately. Vice Mayor Walker and Council Member Stockton rescinded their motions.

Due to the motions on the floor being rescinded, the Mayor proceeded to entertain a motion on the first draft resolution, being: "Town of Rocky Mount Fiscal Year 2014 Appropriation Resolution".

- Motion was made by Vice Mayor Walker to approve the draft resolution as presented, with motion on the floor being seconded by Council Member Stockton. Let the record show voting in favor of the motion on the floor were Vice Mayor Walker and Council Members Greer, Love, and Stockton. Voting in opposition to the motion on the floor were Council Members Cundiff and Moyer. Let the record show that the motion on the floor passed four to two.

The Mayor proceeded to entertain a motion on the second draft resolution, being "Town of Rocky Mount Fiscal Year 2014 Tax Rates and Fees Resolution".

- Motion was made by Council Member Love to approve the draft resolution as presented, 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.

- B. Review and consideration of draft amended supplemental appropriation resolution regarding "Town of Rocky Mount Supplemental Appropriation Resolution for the Fiscal Year Ending June 30, 2013" pertaining to the Performance Center renovation and construction.

The Town Manager stated that the draft resolution presented to Council for review was largely housekeeping, stating the following:

- On March 20, 2013, Council passed an appropriation resolution to set aside \$2,600,000 of fund balance in the current fiscal year toward the music venue

- construction.
- Given that the majority of these funds are actually appropriated in Fiscal Year 2014, and not the current fiscal year, and were included in the appropriation resolution presented to Council previously at its meeting, an amended and corrected copy of the appropriations resolution was being presented before Council at this time for their consideration.
 - This draft resolution appropriates \$100,000 in the current fiscal year to the project.

Council Member Moyer relayed to Council that for the record, he had not asked anyone to circulate petitions against the sale of alcohol at the music venue, but that when he had heard about it, he was for the petitions being circulated. He also stated that those that signed the petitions were not only from the Town but County as well.

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

- Motion was made by Vice Mayor Walker to approve the draft resolution as presented, with motion on the floor being seconded by Council Member Love. Let the record show voting in favor of the motion on the floor were Vice Mayor Walker and Council Members Greer, Love, and Stockton. Voting in opposition to the motion on the floor were Council Members Cundiff and Moyer. Let the record show that the motion on the floor passed four to two.

C. Review and consideration of re-appointments of members to the Planning Commission.

The Assistant Town Manager informed Council that there are three positions on the Planning Commission that will expire June 30, 2013, being: W. Boyd (Bud) Blanchard, Jerry W. Greer, Sr., and Janet Stockton. He further confirmed to Council that all three have agreed to be re-appointed to the Planning Commission (these are four-year terms).

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

- Motion was made by Council Member Cundiff to approve the re-appointments as presented, 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.

NEW BUSINESS

A. Review and consideration of request of Christian Heritage Academy to hold their annual Memorial Day road race.

On behalf of Christian Heritage Academy, the Town Manager informed Council that his office had received a letter from Mr. Eric Miller with Christian Heritage Academy requesting Council to allow them to hold their annual Memorial Day road race on Glennwood Drive and Scuffling Hill Road, with the race beginning at 8:45 a.m. and not lasting more than an hour. The proposed route was outlined in their letter. Staff has confirmed that there are no issues regarding this request with the Chief of Police.

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

- Motion was made by Council Member Greer to approve the request, 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.

- B. Review and consideration of request of Franklin County Historical Society to hold their annual Veterans' Memorial event on the Franklin County Courthouse lawn and also for the closure of streets relating to the event.

On behalf of Franklin County Historical Society, the Town Manager informed Council that his office had received a letter from Mrs. Linda Stanley with the Franklin County Historical Society requesting to hold their annual Veterans' Memorial Day event on Saturday, May 18th, at 10:30 a.m. on the Franklin County Courthouse lawn; and similar to last year, in order to hold their event, they are requesting the closure of streets, which include a portion of Main Street in front of the courthouse between Floyd Avenue and East Court Street, as well as a portion of East Court Street from Main Street to Maple Avenue. The event is scheduled to take place from 10:00 a.m. to 11:30 a.m. Staff has confirmed that there are no issues regarding this request with the Chief of Police.

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

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

- C. Review and consideration of request of Roanoke-Alleghany Regional Commission (RVARC) regarding upcoming vacancies on the Commission.

The Town Manager informed Council that the RVARC appointed positions for Town's representation are expiring June 30, 2013 for Council Member Bobby Cundiff as the elected representative of the Town to RVARC, and the non-elected representative of the Town, which is the Town Manager position. The Town Manager informed Council that he and Council Member Cundiff have agreed to be re-appointed to these positions (each of these terms is a three-year term).

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

- Motion was made by Council Member Greer to approve the request of RVARC for the re-appointments, 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.

- D. Review and consideration of request of Southwest Virginia Antique Farm Days to hold their annual kick-off parade.

Mr. Ray Agee, Board member of Southwest Virginia Antique Farm Days, came before Council requesting to hold their annual event with a kick-off parade around Town on

June 13th (prior to the meeting, Mr. Agee had submitted a letter outlining the parade route and approximately time table). Mr. Agee confirmed to Council that last year they had 12 participants in the parade, but hope to have more this year. He also confirmed that the route has been the same for the past several years. Staff has confirmed that there are no issues regarding this request with the Chief of Police.

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

- Motion was made by Vice Mayor Walker to grant the request, 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.

- E. Review and consideration of approval of draft “Town of Rocky Mount Supplemental Appropriation Resolution for Fiscal Year Ending June 30, 2013” for the Town of Rocky Mount Police Department – Virginia Department of Criminal Justice Services Byrne Justice Assistance Grant.

The Town Manager explained to Council that the Virginia Department of Criminal Justice Services has awarded the Rocky Mount Police Department a Byrne Justice Assistance Grant in the amount of \$4,729 with a local cash match of \$525, for a total award of \$5,245. He further explained that the funds will be used for equipment for the police department, and that the Town’s match is included in their operating budget.

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

- Motion was made by Council Member Greer to approve the draft resolution as presented, 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 carried unanimously by those present.

- F. Review of the loan for the Town of Rocky Mount’s Wastewater Treatment Plant ultra violet project.

The Town Manager informed Council of the following:

- Council Member Cundiff has asked what the current pay-off amount was for the loan used to finance the Wastewater Treatment Plant ultra violet equipment, and as of September 2, 2013, the pay-off will be \$265,567.90.
- Staff recommends letting this loan continue as the Town accumulates funds for the Tank Hill project and replenish the Town’s Utility Fund balance, which is just now climbing back into positive numbers with the proposed Fiscal Year 2014 budget.
- Given that the Town is attempting to fund the music venue construction out of a current year cash flow, the cash flow for such non-budgeted expenses will not be available until the historic tax credits are paid to the Town.
- Requested Council to keep in mind that if they decide to use the funds being set aside in the Utility Capital Fund, these funds have been earmarked for future projects.

Council Member Cundiff stated that he believes it would be a good idea to get rid of this loan, and also stated that it should not be paid out of the recently set up Utility Capital Fund, as that has been earmarked for future utility projects, further stating that it should

be paid out of the fund balance and not to strip the Utility Capital Fund.

There was discussion between the Town Manager and the Finance Director regarding when it could be paid off, with the Finance Director confirming that this loan could not be paid off until either September 1, 2013 or March 1, 2014.

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

- Motion was made by Council Member Cundiff for the Town to pay off the ultra violet equipment in the amount of \$265,657.90 as of September 1, 2013, with motion on the floor being seconded by Council Member Greer. Let the record show that the motion on the floor passed unanimously by those present.

- G. Review and consideration of authorization to proceed with application to, and coordination with, Virginia Municipal League (VML) and Virginia Association of Counties (VACo) local finance for the issuance by the Town of Rocky Mount of the refinancing of bonds.

The Town Manager informed Council that prior to the meeting, Council had received a detailed summarization of two bonds that have options of refinancing. Those bonds are for: (1) VML/VACo series 2006C for the original issue amount of \$2,380,00 to finance the Public Works building, the public parking lot on Claiborne Avenue, and the utility and road extensions on Old Fort Road that has an interest rate of 5% and set to mature on February 1, 2037; and (2) Virginia Resource Authority Series 2001 for the original issue amount of \$3,451,906 to finance the extension of sewer line into the annexed area of the Town with an interest rate of 4% and set to mature on November 1, 2022.

He highlighted the following:

- The Virginia Local Government Finance Corporation, a non-profit corporation who serves as the Program Administrator for VML/VACo Local Finance, has indicated that two existing bond issues are candidates for refinancing because the savings is at least 3% for the Town.
- Explained the outstanding balance on both bonds.
- Proceeds from the general obligation refinancing bond will be used to pay the debt service of the two original bonds as they mature.

Presented for Council's review and consideration of approval from the Town Manager was a draft "Resolution of the Town Council of the Town of Rocky Mount, and Coordination with VML/VACo Local Finance for the Issuance by the Town of a Refunding Bond, and the Execution and Delivery of Certain Documents Prepared in Connection Therewith".

The Town Manager confirmed to Council that the proposed draft resolution was not a binding document and there is no cost involved other than staff time, but he feels the savings of refinancing the two bonds would be significant enough. Confirmed also there would be no bond counsel or bond cost of this sort at this time, but if Council decides to move forward with this, the Town would receive a firm proposal with costs spelled out.

The Mayor confirmed that at this time, there are no expenses to the Town other than the staff time, with him further stating that if Council decides to go forward, a decision

making package will be presented to Council either during the June or July regular Council meeting, which the Town Manager confirmed.

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

- Motion was made by Vice Mayor Walker for staff to proceed (which included the approval of the draft resolution), 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.

COMMITTEE REPORTS

- A. Performance Center Committee: Review and consideration of: (1) naming of music venue; and (2) authorizing Performance Center Committee to approve final design of logo once appropriate choice becomes apparent.

The Assistant Town Manager came forward stating the following:

- Per Council's March direction to proceed with branding and marketing for the new performance center, staff has worked with Access Public Relations to develop potential names.
- After considering over 35 potential names, the staff narrowed down the list and submitted five names to the Performance Center Committee during their April 30th Committee meeting. Staff held a public input session on May 2nd with 17 Town residents in attendance to gauge reaction to the following names, as directed by the Committee. The proposed names were:
 - The Harvester Performance Hall
 - The Rhythm Distillery
 - The Harvest Moon Stage
 - The Blackwater Theater
- These names were also posted on the Town's Facebook page to receive input from the over 750 members of that group. Only about a dozen have made a selection, split evenly between The Harvester Performance Hall and the Rhythm Distillery.
- At the public input meeting, the reactions strongly favored using the Harvester in conjunction with Performance Center, with The Rhythm Distillery a distant second.
- Based on that input and at the Committee's direction, staff has directed Access to develop colors, logo and branding content based on The Harvester Performance Center. Access will submit draft logos and materials to the Town for approval.

In order to complete this effort this month and begin using the logo go develop brand identification for the logo, the Assistant Town Manager asked Council to authorize the Performance Center Committee to approve the final design of the logo once an appropriate choice becomes apparent.

The Mayor stated that he attended the public input meeting and good comments were received related to the proposed music venue, and that The Harvester Performance Center name was favored.

Council Member Cundiff stated that he will be maintaining his consistency and will vote against it.

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

- Motion was made by Vice Mayor Walker to recommend the naming of the music venue as outlined and to authorize the Performance Center Committee to meet and approve the final design of the logo once an appropriate choice becomes apparent as requested, with motion on the floor being seconded by Council Member Stockton. Voting in favor of the motion on the floor were Vice Mayor Walker and Council Members Greer, Love, Moyer, and Stockton. Voting in opposition to the motion on the floor was Council Member Cundiff. Let the record show that the motion on the floor passed five to one.

- B. Finance & Human Services Committee: (1) review of Town of Rocky Mount's current employee holiday bonus policy; (2) review and formulate recommendations for employee pay plan adjustments for the Town of Rocky Mount's Fiscal Year 2014; and (3) review insurance coverage for elected officials.

The Town Manager came forward stating that the Committee met on May 6, 2013 to consider several items, being:

1. Christmas Bonuses: The Committee recommends that there be no official policy on Christmas bonuses; that no bonus be regularly scheduled; that staff attempt to budget some funds as discretionary for Council to use as bonuses; and also that Council should make an annual determination in September if they will use the discretionary funds for bonuses.

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

- Motion was made by Vice Mayor Walker to approve the recommendation of the Committee, with motion on the floor being seconded by Council Member Stockton. There being no discussion, let the record show that the motion on the floor passed unanimously by those present.
2. Pay Plan Adjustments: Staff had proposed adjusting the bottom of the Town's pay plan to increase the compensation for those in the lower pay grades. The Committee did not reject the idea of a pay plan adjustment, but felt that the core issue was long-serving employees who were still at the bottom of a given pay grade due to the lack of merit raises in the past five years. Typically, employees would have access to a merit raise on an annual basis, as well as a cost of living adjustment (COLA). This would enable them to gradually improve their salary, based on performance and longevity. This helps the Town retain qualified and experienced staff and reward loyalty. It also sets up the common retirement benefit as Virginia Retirement System (VRS) bases retirement on an employee's highest three years average salary. As such, employees look forward to modest increases, especially as they approach retirement, as that sets the amount of retirement benefit they will get for the rest of their lives. To address the lack of merit increases, the Committee proposed giving all Town employees who make less than \$35,000 annually and having been employed by the Town for 12 months as of June 30, 2013 a 2.5% merit increase, in addition to the COLA that is proposed in the budget. Staff pointed out that this was a great solution, but that the employees who did not make the cut were still deserving and next year's budget should attempt to address all

employees.

The Finance Director stated that instead of using the \$35,000, \$35,365 needed to be the amount before Council for consideration.

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

- Motion was made by Council Member Greer to give all Town employees who make less than \$35,365 annually and having been employed by the Town for 12 months as of June 30, 2013 a 2.5% merit increase, in addition to the COLA that is proposed in the budget, with motion on the floor being seconded by Council Member Love. Discussion ensued regarding the difference between the \$35,000 and the \$35,365, with the Town Manager indicating that the amount the Finance Department had stated (\$35,365) was the correct amount to use. There being no further discussion, let the record show that the motion on the floor passed unanimously by those present.
3. Insurance for Council members: The State, for purposes of participation in Town offered insurance, considers members of Council as "Employees". Specifically, section 2.2-1204 declares that under the insurance plan, members of Council are defined as "Employees". As such, there are only two classification options available for Town Council members. One is "Full Time" and the other is "Part Time". The plan requires the Town to pay at least 80% of the cost of single coverage for full time employees. The plan also requires the Town to determine if "Part Time" employees can participate in the plan at all, and if they can, to pay 50% of the cost of coverage for a single employee only plan.

For the upcoming year, the Council member currently covered will participate and be covered in the same fashion approved by Council, which requires that for Fiscal Year 2014 plan year, Council members are classified as "Full Time".

Options for future years were given to the Committee. They include:

- Classifying Council as "Part Time" and allowing all "Part Time" employees to participate in the plan with the Town paying at least 50% of the premium for a single person.
- Classifying Council as "Part Time" and not allowing "Part Time" employees to participate in the plan.
- Attempting to negotiate an amendment to our policy that allows the Town to create two sets of employee classification so that members of Council could participate, but not get any compensation.
- Classifying Council as "Part Time" and allowing all "Part Time" employees to participate in the plan with the Town paying at least 50% of the premium for a single person and giving non-participating members of Council a stipend to match the benefit so all members were compensated equally.

The Committee recommended attempting to negotiate an amendment to the Town's agreement and if that could not be accomplished, classifying members of Council as "Part Time" and not allowing part time employees to participate in the plan. While pursuing this option, a stand-alone policy would need to be procured for that specific participating Council member to provide insurance after the next plan year.

There was lengthy discussion regarding how best to address this matter with Council, with the following being highlighted:

- The State and Town's insurance carrier and provider state that the Town can only have one class of employees.
- Council recognizes that they have a commitment to one Council member who currently has the Town's health insurance; and has an option to offer that current Council member a stand-alone policy.

Vice Mayor Walker commented that he likes the recommendation by Council members that the Town needs to carry on with the health insurance being provided to the one participating Council member because the Town has to, but these issues need to be sent back to the Committee to discuss, then bring back before Council.

The Town Manager informed Council that he should have something back from the administrator of the health program from Richmond for the Committee to look at, then bring it back before Council during their next regular meeting. He further stated that it is staff's desire to keep Council informed with the rules and regulations that staff is encountering regarding these issues in order to make sure Council knows what staff knows. He further mentioned that the first part is set forth by State that Council members are considered employees as set forth by the State Code, and they are asking what class of employees they are, either "Part Time" or "Full Time".

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

- Motion was made by Vice Mayor Walker for Council to continue to carry on as carrying on (providing health insurance to the one participating Council member), and attempt to negotiate an amendment with the State, and then bring that decision back to the Committee for review, then to Council with a recommendation, 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.

OTHER MATTERS, CONCERNS AND RISE 'N SHINE APPEARANCES

A. Referrals to Planning Commission from Town Council

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

B. Rise 'N Shine Appearances

Let the record show that the Assistant Town Manager appeared on the *Rise 'N Shine* show today.

COUNCIL CONCERNS

The Mayor indicated that Council Member Moyer had an item to bring before Council, but Council Member Moyer stated that he would bring the matter before Council at a later time.

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

CLOSED MEETING

Let the record show there were no "Closed Meeting" items at this time.

ADJOURNMENT

At 7:55 p.m., motion was made by Council Member Cundiff to adjourn, seconded by Council Member Moyer and carried unanimously by those present.

Steven C. Angle, Mayor

ATTEST:

Patricia H. Keatts/Town Clerk

/phk