

**ROCKY MOUNT TOWN COUNCIL
SPECIAL COUNCIL MEETING
NOVEMBER 21, 2013**

The Rocky Mount Town Council held a special meeting at the Rocky Mount Municipal Building located at 345 Donald Avenue, Rocky Mount, Virginia on November 21, 2013 at 5:00 p.m. with Mayor Steven C. Angle presiding.

On behalf of the Rocky Mount Town Council, the meeting was called to order by Mayor Angle, with the following members of Council being present:

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

For the record, the following were present: All members of Town Council as noted, Town Manager C. James Ervin and Assistant Town Manager/Community Development Director Matthew C. Hankins.

(In lieu of the Town Clerk being present, the Town Manager recorded the minutes.)

APPROVAL OF AGENDA

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

- Motion was made by Council Member Greer to approve the agenda as presented, with motion on the floor being seconded by Council Member Moyer and carried unanimously by those present.

REVIEW AND CONSIDERATION OF DEALLOCATION/ALLOCATION OF GRANTS FROM THE VIRGINIA TOBACCO INDEMNIFICATION COMMISSION

The Assistant Town Manager presented to Council a synopsis of the Virginia Tobacco Indemnification Commission (TIC) funding application, with discussion from Council:

- The TIC was set up by the Commonwealth of Virginia after the Tobacco Master Settlement Agreement gave billions of dollars to Virginia for remediating health and community development claims brought by smokers. Over the years, the TIC has funded many improvements for the Town and its economic development prospects.
- The TIC is divided into two service areas: the Southwest and Southside, which includes Franklin County. Each county or city in Southside has an allocation of money from the interest income every year based on its pre-settlement tobacco quotas.

- In January 2012, the TIC granted to the Town of Rocky Mount and Franklin County an amount from the Franklin County allocation to prepare a five-acre graded pad site at the Cox property to increase the site's marketability. Over that two year span, Town staff has worked with Franklin County to try to develop a funding partnership to develop the complete site, not just a sliver.
- The engineering estimates for a completed 20-acre pad site, along with the drainage, stream mitigation and rail grading siding, put the total project costs at \$3.5 million, regardless of how many partners participate in funding the project. To date, the Town and County has no consensus on how to fund the project. The clock is ticking, and if the project is not funded within the next six weeks, the Town and County has no way to complete the pad design, bid out the project, complete the required state and federal permitting, and get construction underway by the following January, when the TIC obligation expires.
- At this point, the Assistant Town Manager is not prepared to recommend that the Town can or should undertake the Cox property grading project, particularly if there is no guarantee of an investor, no defined timeframe in which to find one, and no clear agreement on whether to proceed with rough-grade, final grade, or even proceed with a shell building. The only way to accomplish this at this time would be through a bond issue.
- The short version of what is going on is, is that the Town has been given one bird in the hand. The Town needs six birds in hand to grade a pad site on the Cox property. No one else has given the Town or County any more birds. If no one gives the Town and County more birds by December 13th, the Town and County are going to lose the bird that is in-hand.
- This brings the Town to discuss the funding for the Harvester Performance Center.
- Just after the application was filed with TIC to do the Cox property site work, the Council's priority economic development changed. The Town bid on and won the Lynch Building and have spent most of their effort and energy in designing and renovating that facility.
- Staff has indicated to Council throughout the Harvester's development that Rocky Mount should receive some funding from TIC to fund a portion of the Center. At Council's regular October meeting, Council approved a TIC grant application of \$675,000 toward the Harvester.
- The budget for the Harvester is \$2.6 million, of which approximately \$1 million will be paid back though Historic Property Tax Credits, reducing the taxpayer liability to about \$1.6 million. If the Town gets the full \$588,000 from TIC, net taxpayer liability would come in around \$1 million before any private donors step up to the plate.
- At this point, however, Franklin County allocation has no money available, and will not until the new fiscal year begins in July. At this point, it is unknown whether the Town could receive any funding, as the construction project will be over, and the TIC likes to be in on the front end of projects.
- The TIC staff has given Town staff some indication that, if funding was available now, the Town would likely have a positive recommendation for some funding for the Performance Center. Staff does not know whether the TIC staff will recommend turning the full \$588,000 back over to the Town for the Harvester project, or a portion of that amount.

- While the Town staff has had positive discussions with TIC staff and believes that the Town will receive a positive recommendation regarding the Town's application, staff has no guarantee that the TIC will approve the Town grant. If it does not and the Town has to de-obligate the Cox property funding, the Town cannot have the project reinstated.
- Central questions:
 - Knowing the risks of both propositions, does Council wish to de-obligate the approved funds from the Cox property site with a request that the TIC approve the Town's grant application?
 - If Council does not wish to de-obligate the funds currently available for grading and site work, will Council entertain a bond issue to complete the work prior to the funds automatically de-obligating based on time?

Also before Council for their review and consideration of approval was a draft "Resolution by the Rocky Mount Town Council" regarding formally requesting the Virginia Tobacco Indemnification Commission to de-obligate Grant #2318, return that obligation to the Franklin County allocation, and consider awarding the same amount to fund the Town of Rocky Mount's current application for the Harvester Performance Center.

After further discussion, the Mayor entertained a motion.

Motion action taken:

Motion was made by Vice Mayor Walker to de-allocate the current Virginia Tobacco Indemnification Commission grant and request that the funds be awarded to the Harvester Performance Center, and that staff re-apply for Virginia Tobacco Indemnification Commission funds for the development of the Cox property during the next round of eligibility, with motion on the floor being seconded by Council Member Love. There being no discussion, let the record show that the motion passed five to one, with Council Member Moyer voting in opposition to the motion on the floor.

REVIEW AND CONSIDERATION OF JANITORIAL OPTIONS FOR THE TOWN OF ROCKY MOUNT

The Assistant Town Manager presented to Council for their current consideration and planned needs regarding the custodial contract analysis. He stated that Vice Mayor Walker has asked for an analysis of janitorial staffing options. Staff has published the updated Request for Proposals that Council directed during their December 9th meeting. This analysis is provided for Council's information

Current consideration and planned needs:

- The Town currently pays \$19,980 annually for cleaning services for non-public safety spaces, not including any special cleaning requested by the Town (carpets, pressure washings, etc.).

- Including public safety spaces, the Town pays a total of \$28,420. This amount does not include dumpster services, paper products, cleaning supplies or cleaning tools, which would have to be purchased or rented, regardless of employment practice.
- The Town does not currently have custodial services for the Harvester Performance Center, but project that it will need approximately 16 hours of cleaning per week (an average of 3.3 shows per week). Staff anticipates issuing a Request for Proposals (RFP) for cleaning services at the Harvester in mid-winter, barring any change in direction here.
- The current lowest hourly wage on the Town of Rocky Mount pay scale is \$12.64 per hour.
- Went over cleaning current annual hours and project hours for non-public safety spaces, the Harvester Performance Center, and Public Safety (police department, fire departments No. 1 and 2).

Went over potential alternatives:

1. Hire/transfer one full-time, one part-time custodian for 3,142 hours of cleaning and to ensure complete coverage for vacancies, vacations, sick time, cleaning all municipal and public safety spaces (went into detail regarding hours and pay).
2. Hire two part-time custodians without benefits, equal time and pay, to clean all municipal and public safety spaces (explained hours and pay).
3. Contract out cleaning services at all facilities (explained hours and pay).
4. Contract Harvester, one full-time janitor for other facilities, reduce cleaning hours (explained hours and pay).
5. Contract Harvester, two part-time janitors for other facilities to ensure coverage (explained hours and pay).

All hiring options do not account for additional costs, including uniforms (\$364/employee/year), insurance (part-time employees are eligible for health insurance and other benefits at a reduced Town contribution rate), and cleaning equipment and supplies that are now furnished by the contractor.

Staff recommendation:

- Wait for the cleaning contract submissions to obtain truer cost estimates. Once more accurate costs become known, re-evaluate to determine whether to issue cleaning contract.
- Based on current figures and analysis, the analysis indicates a wash between contracting for services and hiring two part-time employees to provide the services either now needed or to be provided. From a scheduling standpoint, the staff recommendation is to hire two-part time employees to be assigned by the Public Works Department for supervision and assignment of duties. These employees would be responsible for ordering all supplies, materials and tools necessary to perform their duties.

Discussed that after the Assistant Town Manager gets the cleaning bids back on December 3rd, he can provide the Finance & Human Services Committee prior to their upcoming meeting of December 9th with the information received from the bids submitted so they can

look at them prior to that Committee's December 9th meeting. The Town Manager also noted that information pertaining to the part-time insurance will be made available at that meeting also.

Council asked that the Assistant Town Manager discuss with the Rocky Mount Chief of Police and Fire Chief their thoughts about using someone else to clean their buildings and have that information available during the Finance & Human Services Committee meeting.

ADJOURNMENT

At 6:15 p.m., motion was made by Council Member Love to adjourn, seconded by Vice Mayor Walker and carried unanimously.

Steven C. Angle, Mayor

ATTEST:

Patricia H. Keatts, Town Clerk