REGULAR
COUNCIL MEETING
October 16, 1995

The regular meeting of the Elkton Town Council was held October 16, 1995 at 7:30 p.m. in the council chambers with the Mayor Charles E. Dean presiding. The roll call is recorded as follows:

PRESENT
F. A. Bennett
D. H. Dail
M. B. Fuller
W. E. Printz
R. L. Snow
T. R. Whitfield III

Ted Costin, Manager, Dale Davenport, Attorney, Norma Leap, Clerk, Gerald Monger, Superintendent, Theodore Pence, Director of Park & Recreation, Warren Pence, Chief of Police, and Joseph Shifflett, Director of Public Works were also present.

VISITORS

Lou Kirkendall

Lou Kirkendall of 816 Fourth Street spoke regarding the fact that a group of citizens appeared before council last June and presented their concerns on littering, loitering, vandalism, and unrestricted traffic in downtown Elkton. It is now October and she is concerned that they have not received some verbal or written communication saying council has looked at this and they would like some communication regarding this issue.

Betty Engle

Betty Engle asked if there could be some more consistent meter reading schedule so that people's bills would not fluctuate so much from month to month.

Marsha Deavers

Marsha Deavers, EDRC Main Street Program Manager, presented the Elkton Main Street and the Elkton Downtown Revitalization Corporation Quarterly Report.

William Holloway

William Holloway, Lieutenant for the Harrisonburg Police Department, was present and presented council with his campaign brochure. He is running for Sheriff of Rockingham County and stopped by to introduce himself and present the goals he will work toward if elected.

MINUTES

Councilman R. L. Snow moved, seconded by Councilman W. E. Printz and carried to approve the minutes of the Regular Meeting September 18, 1995 as presented.

DEPARTMENT HEAD REPORTS

Chief of Police

Chief Pence presented his monthly police report. He also reported that Kevin Whitfield began employment as a Police Officer October 1, 1995 under the COPS FAST Program.

Director of Parks and Recreation

Theodore Pence presented his monthly report. He also reported that the Recreation Department had their yearly community picnic and only three people connected with the town government attended this picnic. Mr. Pence stated he feels anyone representing the Town of Elkton, regardless of which department is sponsoring the event, should make an effort to be present for a little while to show their interest and concern.

Director of Public Works

Joseph Shifflett presented his monthly report. Mr. Shifflett also reported that the information on the zoning items in his report, which he stated would be disbursed on October 30, 1995, is now available for review in his office. A Joint Public Hearing with the Planning Commission, on the two application requests, will be held November 13, 1995 at 7:00 p.m. in the council chambers.

Councilman Snow asked how long it will take to complete the planned tree trimming? Mr. Shifflett stated it would take approximately a week and they plan to use some of the town forces along with the contractor selected. Councilwoman Fuller expressed some concern over the ways trees were trimmed several years ago and at least one person complained that he lost a tree due to this. Mr. Shifflett stated they will be sure the trimmers that are used are professionals.

Superintendent

Gerald Monger presented his monthly report. Mr. Monger stated they hope to do some more work on the riverbank this Friday, possibly some sloping and some more root masses.

Mr. Monger reported that a copy of the final draft of the Road/Street and Subdivision Naming Manual is in the council packets. A resolution on this will be prepared for council's action at next month's meeting.

Mr. Monger reported that they have started taking the wall paper off in the room where the library was. He pointed out that there is only a certain amount of money appropriated for this project and the electrical work is going to take most of this money.

Mr. Monger reported that Mr. Eric Snow, Landsaver Environmental, is suppose to be here Wednesday to look at the reservoir and give the town an estimate on the cost of a liner.

Councilman Snow questioned if a committee was ever appointed to decide what improvements are needed, and to develop a plan as to what is going to be done to the Municipal Building? He questioned, if not, who is making the decisions? Mayor Dean stated his answer would be Ted, Joe and Gerald. Mr. Costin stated that about a year ago there was some reorganization and duty assignment. Big project assignments were basically given as a duty to Mr. Monger. He was to come up with what needed to be done to get the new library building ready , the library moved and take over from there on this building. $20,000.00 was put in the budget for this. Mr. Costin also pointed out that at the last work session those present looked over the rooms, discussed what needed to be done and council gave them some directions, ideas, thoughts and some outright directives. The project is not something they are trying to hide.

Councilman Snow stated it was his understanding that a committee of council members was to be appointed to decide what was to be done. He feels council needs to know the plan before hand

and the schedule for completion. He also noted he hopes plans are to maintain the integrity of the building. Councilman Bennett stated he agrees with Councilman Snow and all of council needs to be involved.

Mr. Costin suggested having another meeting, possibly at the next work session November 1, to discuss this and to take a look at the building.

Treasurer

Councilman R. L. Snow moved, seconded by Councilman F. A. Bennett and carried to approve the Finance Report for the months of August and September.

Town Manager

Mr. Costin stated he had nothing to add to his report, however on the agenda under New Business, Item "C" was left off. Item "C" is the appropriation of the funds for the purchase of the land adjacent to Memorial Park.

Mr. Costin reported that the Open House at the new library will be October 29, 1995 from 3:00 p.m. to 5:00 p.m. He discussed the program with Mrs. Gooden this afternoon, and she has requested Terrace Avenue be closed from 2:00 p.m. to 4:00 p.m. as there will be some activities going on outside the building.

Councilman W. E. Printz moved, seconded by Councilwoman M. B. Fuller and carried to close Terrace Avenue on October 29, 1995 from 2:00 p.m. to 4:00 p.m. for the Library Open House.

Committee Reports

Electric

Councilman Dail reported he would like to have a brief Electric Committee meeting immediately following the council meeting.

Finance

Councilman Snow stated he had nothing to report at this time. Councilwoman Fuller asked Mr. Costin if he has heard any more on investment strategy. He reported that he has received some information, had talked with some people at the Virginia Municipal League meeting and is pursuing this.

Streets and Sidewalks

Councilman Printz reported that there is a water problem at the Blue Ridge Radio and TV and they will be doing some work there shortly.

Personnel

Councilwoman Fuller reported that the Personnel Committee has completed the first annual review evaluation of the Town Manager. This will be presented to council in Executive Session.

Old Business

Set Refuse Fee - Second Reading

Councilman T. R. Whitfield III moved, seconded by Councilman R. L. Snow and carried to approve on Second Reading the setting of

the Residential Refuse Rate at $8.25 effective on the billing November 1, 1995.

Approve Audit Report

Councilman R. L. Snow moved, seconded by Councilman W. E. Printz and carried to accept and approve the audit report as presented.

Meals Tax Increase - Second Reading

Councilman R. L. Snow moved, seconded by Councilwoman M. B. Fuller to approve on Second Reading the increase of the meals tax to 4% effective as soon as possible.

Councilman Printz stated he was concerned about raising taxes to just raise taxes. He feels we need to make sure we are being efficient and need to take a close look at our expenditures. He would consider voting for the increased 2% meals tax if it was to replace some other tax, possibly personal property. However, he cannot support just a blatant 2% increase.

Mayor Dean and Councilman Snow both pointed out that there is a need for Capital Improvements and the intent is that this additional revenue is to be used for Capital Projects.

Councilman Printz suggested a resolution stating this 2% increase will replace the Personal Property Tax in a few years after our reserves have been built up again. Councilman Snow pointed out that our Town Manager has recommended this increase, our reserves have been depleted to the lowest point he has seen since he came on council, and he feels that if it takes a resolution that in four or five years the real estate or personal property tax will be done away with, he is willing to do this.

Councilwoman Fuller stated she feels it is essential for the town to have a Capital Project's Budget that is properly funded and she strongly supports Councilman Snow on this proposed increase to be used for this purpose.

Councilman Dail stated he agrees but he does not feel this is the time to make any increases. He feels this should be done during budget time. He also pointed out he thinks council should consider debt financing as suggested in the audit report.

Councilman Bennett stated he is opposed to the meals tax increase at this time. He feels this in not the way to handle our finance problems and we should look at curtailing spending before increasing any taxes.

A vote was taken on the motion and recorded as follows:

YEAS: M. B. Fuller, R. L. Snow

NAYS: F. A. Bennett, D. H. Dail, W. E. Printz and T. R. Whitfield III

Set Up Committee to develop Strategy for Capital Improvement Financing

Councilwoman M. B. Fuller moved, seconded by Councilman R. L. Snow, that based on the fact that the Finance Committee and the Town Manager recommended the 2% meals tax increase and council

voted it down 4-2, that the four council members be placed on a committee to come up with a strategy for financing these capital improvements.

Councilman Bennett stated he was offended by this motion asking that he take part in a committee to search for other alternatives when he has voted against some of the projects which affected the budget. He had also discussed some of the alternatives by which he would have voted for a meals tax increase. Councilman Bennett stated he wants it as part of the record that he is opposed to this motion.

Councilwoman Fuller pointed out that the motion was not intended to offend, but to find a solution.

Councilman Whitfield pointed out that council needs to work in unison and come together in an agreement. He stated that just because he didn't vote for the meals tax increase doesn't mean he is not in support of comprehensive capital improvements. He does feel there are other alternatives other than raising taxes.

Councilman Printz pointed out if council had passed the originally proposed suggestions for Capital Projects we would really be in problems. This big decrease in our reserves really concerns him.

Councilwoman Fuller pointed out that the decrease in reserves is not coming from the budget presented by Mr. Costin for 95-96 but are carry overs from last years Capital Improvement Projects which were approved but not funded.

The vote was taken on the motion and recorded as follows:

YEAS: M. B. Fuller and R. L. Snow

NAYS: F. A. Bennett, D. H. Dail, W. E. Printz and T. R. Whitfield III

Amend Code to Establish Lodging Tax - Second Reading

Councilman R. L. Snow moved, seconded by Councilwoman M. B. Fuller to approve on Second Reading to amend Section 2-3-4 and enact new Sections 2-3-48 through 2-3-53 of the Code of Ordinances of the Town of Elkton, Virginia which would establish a lodging tax. (A copy of this ordinance will be attached to the official minutes)

The vote was recorded as follows:

YEAS: F. A. Bennett, D. H. Dail, M. B. Fuller, W. E. Printz, R. L. Snow and T. R. Whitfield III

Set Lodging Tax Rate - Second Reading

Councilman R. L. Snow moved, seconded by Councilwoman M. B. Fuller to set the lodging tax rate at 4%.

The vote was recorded as follows:

YEAS: D. H. Dail, M. B. Fuller and R. L. Snow

NAYS: F. A. Bennett, W. E. Printz and T. R. Whitfield III

Mayor Dean voted YEA

NEW BUSINESS

Electric Donation Request

Councilman D. H. Dail moved, seconded by Councilman R. L. Snow and carried to approve the request by Rockingham County Parks and Recreations Department for an electric donation for the lights at the football field at the Elkton Middle School.

Virginia Department of Transportation Resolution

Councilman W. E. Printz moved, seconded by Councilwoman M. B. Fuller and carried to approve the following Town of Elkton Project Programming Resolution.

WHEREAS, in accordance with Virginia Department of Transportation construction allocation procedures, it is necessary that a request by council resolution be made in order that the department program an urban highway project in the Town of Elkton; now

THEREFORE IT BE RESOLVED, that the Town Council of Elkton, Virginia request the Virginia Department of Transportation to establish a project for the reconstruction of Rockingham Street from Spotswood Trail to Stuart Avenue (State Route 340) and from Stuart Avenue (State Route 340) to the intersection of State Route 759 for a total of .65 miles.

BE IT FURTHER RESOLVED, that if the Town Council of Elkton subsequently elect to cancel this project, the Town of Elkton hereby agrees to reimburse the Virginia Department of Transportation for the total amount of the costs expended by the department through the date the department is notified of such cancellation.

Appropriate Funds for Land Acquisition - First Reading

Councilman R. L. Snow moved, seconded by Councilman W. E. Printz to approve the First Reading to appropriate #75,279.22 to purchase land adjacent to Stonewall Memorial Park.

Councilman Whitfield stated he is not necessarily opposed to park expansion, but he feels this property will probably be developed for ball fields which will probably serve many county residents, but will not be as beneficial to our 2000 residents.

Councilman Printz stated he felt the funds were in the reserves when he agreed to purchase the land.

Councilman Snow stated he feels this is a great opportunity for the town to expand the park and we will probably never get this opportunity again.

Councilman Dail stated he voted to purchase the land and he feels that the acquisition in the long term is in the best interest of the town.

The vote was taken on the motion and recorded as follows:

YEAS: D. H. Dail, M. B. Fuller, W. E. Printz and R. L. Snow

NAYS: F. A. Bennett and T. R. Whitfield III

Mr. Costin reported that he has an engineering firm that has agreed to come in, free of charge, to take a look at the property to see what type of development potential it has.

Reconsideration of Meals Tax Motion

Councilman W. E. Printz moved, seconded by Councilman R. L. Snow to reconsider the motion to increase the meals tax.

The vote was recorded as follows:

YEAS: M. B. Fuller, W. E. Printz and R. L. Snow

NAYS: F. A. Bennett, D. H. Dail and T. R. Whitfield III

Mayor Dean voted YEA

Reconsider Meals Tax Increase on Second Reading

Councilman W. E. Printz moved, seconded by Councilman R. L. Snow to approve the Second Reading to adopt the 2% meals tax increase and that within a period of 2 1/2 years this tax would replace the current Real Estate Taxes.

Councilman Whitfield stated he would like to know from Mr. Davenport the legality of the motion and the legality of the concept; from the Town Treasurer, the amount of Real Estate Taxes in the last fiscal year and her personal opinion of the suggestion; and also Mr. Costin's opinion of this suggestion.

Mr. Davenport stated he believes the motion to reconsider is in order. The legality of the motion regarding the real estate tax being terminated in 2 1/2 years is not binding on future councils. It merely states this council's intent.

Mayor Dean stated according to the audit the amount of taxes collected in the last fiscal year was $60,000.00.

Mrs. Leap stated she did not think we should anticipate what we are going to do 2 1/2 years from now. We have no idea what our needs are going to be or what sources of revenue are going to be taken from us. Mrs. Leap stated she feels the intent is good, but it would be unwise to make any commitments which in reality we may not be able to keep. She also pointed out that this is not saying she opposes a meals tax increase.

Mr. Costin stated he agreed with Mrs. Leap. He pointed out that it goes back to the old adage about putting all your eggs in one basket. Local funding is under attack and local governments do not know what sources may be taken from them. He feels if you have a revenue source you best keep it. He suggested rather than eliminating Real Estates Taxes consider cutting this tax in half.

Councilman Printz pointed out that this is a way for council to cooperate and find an immediate revenue source. It also fits in with his goals and objectives for a more efficient government. He doesn't agree that capital money is not within the programs we already have, provided we are more efficient. He does not feel that we have to borrow money or take it from the reserve funds to do capital projects, we just need to be more efficient.

Councilman Whitfield stated that to eliminate a tax is a decision that this present council should make, however he feels that at the very least, council should have thirty days to consider this and he requested council be given this time period before taking action.

Councilwoman Fuller stated she does not feel council needs thirty days to consider eliminating this tax as all the council knows that they are not eliminating this tax. All they are doing is stating their intent, and she is willing to go on record saying she will support this. Council cannot incumber future councils and the present council knows this.

The vote was taken and recorded as follows:

YEAS: M. B. Fuller, W. E. Printz and R. L. Snow

NAYS: F. A. Bennett, D. H. Dail and T. R. Whitfield III

Mayor Dean voted YEA

Executive Session

Councilwoman M. B. Fuller moved, seconded by Councilman R. L. Snow and carried to go into Executive Session to discuss the first annual evaluation of the Town Manager.

Councilwoman M. B. Fuller moved, seconded by Councilman R. L. Snow and carried to add to the agenda for the Executive Session to discuss an adjustment to the Town Treasurer's Salary.

Councilwoman M. B. Fuller moved to go from Executive Session back into Regular Session and that each council member, to the best of his knowledge, certify that only public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act were heard, discussed or considered. The following council members so certified:

YEAS: F. A. Bennett, D. H. Dail, M. B. Fuller, W. E. Printz, R. L. Snow and T. R. Whitfield III

Salary Adjustment - Treasurer

Councilwoman M. B. Fuller moved, seconded by T. R. Whitfield III and carried 4-2 to increase the Town Treasurer's salary by $4,000.00 for this fiscal year.

As there was no further business, the meeting adjourned.

MAYOR: Charles E. Dean
Charles E. Dean, Mayor

RECORDER: Norma R. Leap
Norma R. Leap, Clerk