Special Council Meeting
May 16, 2002
6:00 P.M.

A Special Meeting of the Elkton Town Council was held Thursday, May 16, 2002 in the Council Chambers with Mayor M. Lee Dearing presiding. The following members were present:

PRESENT
J. T. Dean
C. H. Murphy
M. S. O'Neill
T. Pence
W. E. Printz
L. Sigafoose

Nathan Miller, attorney, Richard Pullen, Chief of Police, and Richard Carey, Clerk of Council, were also present.

Councilman O'Neill offered the Invocation.

The Pledge of Allegiance was recited.

Mayor Dearing congratulated Mayor-elect Wayne Printz and Councilmen-elect J. T. Dean, Phillip "Rick" Workman, and Randell Snow on their recent election to the Elkton Town Council. Their terms begin July 1, 2002.

Reschedule Council Meeting

Councilman Printz moved, second by Councilman O'Neill, and carried to reschedule the monthly Council meeting from May 20, 2002 to May 28, 2002 under the emergency provision of the statute.

Councilwoman Murphy stated she would like better planning in the future so personal schedules will not conflict with Council dates.

YEAS: J. Dean, M. O'Neill, T. Pence, W. Printz, and L. Sigafoose
NAYS: C. Murphy

Motion carried (5-1)

Mayor Dearing reminded Council of the Public Hearing on Monday, May 20, 2002 at 6:30 P.M., regarding Elk Run Cemetery expansion.

Resolution to move REPO

Councilman O'Neill moved, second by Councilwoman Murphy, and carried that the Town Council authorize the Town Treasurer to engage and appoint Branch Cabell to manage the Town of Elkton's investment account and investment policy as was proposed by the finance committee at the last Town Council meeting.

1. **Branch Cabell, through Robert E. Wimer, has submitted information and materials to the finance committee regarding Branch Cabell's qualifications and abilities to provide investment advice and services.**

2. **The finance committee has reviewed the materials and information submitted by Branch Cabell and has found that they are thoroughly qualified to manage the Town's investment account and investment policy.**

I further move that the Town Council direct the Mayor to execute whatever documents and/or contracts are necessary to implement this appointment.

YEAS: J. Dean, C. Murphy, M. O'Neill, T. Pence, W. Printz, and L. Sigafoose

Motion carried (6-0)

Councilman O'Neill moved, second by Councilman Printz, and carried that the Town Council authorize the Town Treasurer to engage and appoint Branch Cabell to manage the Town of Elkton's investment account and investment policy as was proposed by the finance committee at the last Town Council meeting as it relates to $500,000.00 provided for a community/recreation center as presented.

1. **Branch Cabell, through Robert E. Wimer, has submitted information and materials to the finance committee regarding Branch Cabell's qualifications and abilities to provide investment advice and services.**

2. **The finance committee has reviewed the materials and information submitted by Branch Cabell and has found that they are thoroughly qualified to manage the Town's investment account and investment policy.**

I further move that the Town Council direct the Mayor to execute whatever documents and/or contracts are necessary to implement this appointment.

YEAS: J. Dean, C. Murphy, M. O'Neill, T. Pence, W. Printz, and L. Sigafoose

Motion carried (6-0)

Attorney Miller suggested having the Town Treasurer talk to local banks about "sweeping our accounts," a banking practice where money is deposited on Friday and interest is available the next Monday or Tuesday.

Didi Hensley - Water Connection

Councilman Dean moved, second by Councilman O'Neill, and carried that a water connection for 16562 East Spring Avenue, plus the parking area, and 16595 East Washington Street will be granted under the following terms.

1. **The connection fee will be at the old rate;**
2. **The Town of Elkton will petition Rockingham County for a boundary line adjustment, the cost of which will be paid by 1/3 Shen-Elk Enterprises, 1/3 Didi Hensley, and 1/3 the Town of Elkton;**
3. **If, for any reason, the boundary line adjustment is denied, Shen-Elk Enterprises will reimburse the Town of Elkton for all expenses incurred in this process.**

YEAS: J. Dean, C. Murphy, M. O'Neill, T. Pence, W. Printz, and L. Sigafoose

Motion carried (6-0)

Amend Park Authority Bylaws - First Reading

Councilwoman Murphy moved, second by Councilman Sigafoose, and carried to amend the Elkton Park Authority Bylaws to have a membership of ten.

YEAS: J. Dean, C. Murphy, M. O'Neill, T. Pence, W. Printz, and L. Sigafoose

Motion carried (6-0)

Councilwoman Murphy, second by Councilman Pence, to revise Section 2. Members and Compensation of the Elkton Park Authority to read the Mayor nor any current employee of the Town of Elkton may serve on the Authority as a Member or Officer. Members shall not be compensated for serving, but may be reimbursed for out of pocket expenses.

Councilman Printz, realizing that the votes were probable to amend this section when the new Council take their seats in July, again supported his campaign promise of limiting possible Town litigation and financial loss if the Authority should fail by reading a letter from Mr. Frank Meleski.

Frank J. Meleski
604 N. Stuart Ave.
Elkton, VA 22827
Tel-540-298-2579
E-mail meleski29@cs.com

Wayne Printz, Councilman and Mayor Elect
Town of Elkton,
Elkton, VA 22827

Dear Mr. Printz,

The agenda for tonight calls for appointing members to the Park Authority. I believe that all the participants in the election promised the voters that they would not put the Town in legal or monetary jeopardy, with a golf course. A Park Authority was set up to do just that, but the Authority must be autonomous. I've heard that there is some lobbying going to change the bylaws of the Authority to allow Town Officials to serve on the Park Authority and be active in the policies and the direction of the Authority. This action would make the Town, at least partially responsible for any default on Bonds, Loans or any other monetary obligations that the Authority might incur. And we're talking big money (4 to 6 Million Dollars for the course and operating expenses for at least three years). It's hard for me to imagine that any Town Officials would risk the wrath of the voters and the fiscal integrity of the Town, by putting the Town at risk for this kind of money, and that is exactly what you would be doing, unless you keep the Park authority at Arms Length from the Town. I don't see a problem with authorizing Town Officials to be able to attend meetings and keep abreast of what is happening and give advice, but that is entirely different from actually running the Authority.
As a resident of the Town of Elkton, I certainly don't want to think of our Town in bankruptcy as a result of a suit brought against the Park Authority. So I implore you to do what is necessary to limit our Liability and insure that the Town will never be held liable for the actions of the Authority. I believe, that this is what all the Candidates in this last campaign promised, and what the Citizens of Elkton expect of their representatives.

Sincerely,

Frank Meleski

Councilwoman Murphy sought an opinion from attorney Miller, who stated Mr. Meleski's letter raised a political question as well as a legal issue. Attorney Miller would not comment on political promises made by the candidates during the campaign. Mr. Miller stated the Park Authority is independent and separate. By appointing a council representative to the Authority

does not obligate the Town on the financial obligations of the Authority, unless Council votes to underwrite the debt.

Councilman Sigafoose asked Mr. Miller to put that statement in writing and give him a copy. Mr. Miller obliged the request.

Councilman O'Neill again spoke of the diversion of a Councilman's time to the Park Authority. He believed Council roles should not be structured so that only retired people would have the time to serve. He believed that was a major disservice to the Town.

YEAS: C. Murphy, T. Pence
NAYS: L. Sigafoose, M. O'Neill, J. Dean, W. Printz

Motion failed (4-2)

Councilman Dean moved, second by Councilwoman Murphy, and carried that the Elkton Town Council appoint 8 Authority members, leaving 2 seats vacant for future consideration by the Elkton Town Council.

YEAS: J. Dean, C. Murphy, M. O'Neill, T. Pence, W. Printz, and L. Sigafoose

Motion carried (6-0)

Amend Park Authority Members - First Reading

Councilwoman Murphy moved, second by Councilman Dean, and carried to amend as a First Reading Section 4.4 Members of the Park Authority Act of the Town Code to increase the Authority number of members from six to ten.

YEAS: J. Dean, C. Murphy, M. O'Neill, T. Pence, W. Printz, and L. Sigafoose

Motion carried (6-0)

Appoint Park Authority Members

Councilwoman Murphy moved, second by Councilman Printz, and carried to appoint the following as members of the Elkton Park Authority: Herb Baugher, Ishmal Baugher, Caroline Brill, Pete Bonavito, David Dean, Joe Flick, Gerald Monger, and Clyde McDaniel.

YEAS: J. Dean, C. Murphy, M. O'Neill, T. Pence, W. Printz, and L. Sigafoose

Motion carried (6-0)

Councilwoman Murphy moved, second by Councilman Dean, and carried to approve the following terms for the newly appointed Park Authority members:

Herb Baugher	**2 years**
Ishmal Baugher	**2 years**
Caroline Brill	**2 years**
Pete Bonavito	**3 years**
David Dean	**3 years**
Joe Flick	**3 years**
Gerald Monger	**4 years**
Clyde McDaniel	**4 years**

YEAS: J. Dean, C. Murphy, M. O'Neill, T. Pence, W. Printz, and L. Sigafoose

Motion carried (6-0)

Allocate Money for Park Authority - First Reading

Councilwoman Murphy moved, second by Councilman Pence, and carried to allocate $17,000.00 from General Government line item Economic Development for the use of the Park Authority as a loan out of fiscal year 02.

YEAS: J. Dean, C. Murphy, M. O'Neill, T. Pence, W. Printz, and L. Sigafoose

Motion carried (6-0)

Attorney Miller stated Section 3. Quorums should be changed to reflect the increased member on the Park Authority.

Councilwoman Murphy moved, second by Councilman Dean, and carried to amend the Park Authority Bylaws, Article IV, Meetings, Section 3. Quorums to read six members of the Authority shall constitute a quorum for the transaction of business at all meetings. A majority of the appointed members present shall constitute a quorum at meetings of Standing and Special Committees.

YEAS: J. Dean, C. Murphy, M. O'Neill, T. Pence, W. Printz, and L. Sigafoose

Motion carried (6-0)

Community Center

Lantz Construction is erecting a steel structure (a shell) on land owned by Furnace Methodist Church on Naked Creek Road. The pastor stated the membership elected to have a raised ceiling which added approximately $60,000.00 to the cost of the structure, thereby creating a total cost of $226,000.00 for a building which measures 80 x 120 feet. Mayor Dearing suggested the Park Authority may want to follow up on this.

Fiscal Year 02-03 Budget - First Reading

Councilman O'Neill presented a budget of $2,763.041.00, with the following comments:

1. Out-of-town rate adjustments incorporated in the budget;
2. No tax increases;
3. ISTEA not included because it may be spent this fiscal year;
4. Bond payments are excluded. They are separate;
5. Water and Sewer Capital Projects increased by $10,000.00;
6. $20,000.00 added to Streets Capital;
7. Economic Development increased to $25,686.00;
8. Page 1, Note 3 needs to be stricken.

Councilwoman Murphy had some questions:

1. Page 2, Water Revenue, shows decrease. Councilman O'Neill said he believed we had a shortfall in water revenues;
2. Page 1, General Government Expenses, Line Item for Historical Society for $4,000.00 and a Line Item Donation Expense of $5,000.00. Councilwoman Murphy would like to see the Historical Society Line Item remain at $2,000.00 and the other $2,000.00 be returned to Donations Line Item to be decided later;

A vote of Council to move the money or keep it as is followed:

Councilman Pence	**move it**
Councilwoman Murphy	**move it**
Councilman Printz	**keep as is**
Councilman Dean	**keep as is**
Councilman O'Neill	**keep as is**
Councilman Sigafoose	**abstain**

3. Page 5, Police Expenses - Buffer. Council decided to move it to General Government Capital Equipment purchase and purchase the buffer for the Town's custodian's use;
4. Capital Projects, Street Maintenance, Page 2, Councilman O'Neill referred to Note 5 on Page 1 as to how the excess was distributed;
5. Budget is unbalanced by $24,930.00 which represents a 3% money pool for employee raises, which may or may not materialize. Councilman O'Neill stated the Treasurer asked that since the figure was tentative that that total not be distributed in the budget. Councilman O'Neill will create a line item under General Government by Council's discretion to reflect the $24,930.00.

Councilman Pence had questions regarding increases in Recreation. Councilman O'Neill responded that he took the information supplied by the Special Events Coordinator and made the projections. Councilman O'Neill directed Councilman Pence Mr. Meadows for answers to his questions.

Out-of-Town Water and Sewer Rates - First Reading

Councilman O'Neill moved, second by Councilman Dean, and carried that the out-of-town water and sewer rates, not otherwise restricted by contracts with the County, be set and tied to a rate of 1.5 times the corresponding in-town water and sewer base and consumption rates effective July 1, 2002.

Councilman O'Neill stated that this will supercede the rate increase passed several months ago but was never implemented. Anytime there is an in-town increase that increase times 1.5 will become the out-of-town rates

YEAS: J. Dean, C. Murphy, M. O'Neill, T. Pence, W. Printz, and L. Sigafoose

Motion carried (6-0).

Mayor Dearing stated the Elm Street opening has been tabled.

Carroll Campbell

There was uncertainty as to just when Mr. Campbell started his business and if he was eligible to be grandfathered to obtain a business license. Attorney Miller will have Mr. Campbell answer a list of fact questions and he will then make a recommendation to Council to resolve this issue.

As there was no further business, the meeting was adjourned.

MAYOR: _____
M. Lee Dearing, Mayor

RECORDER: _____
Richard D. Carey, Clerk