Regular
Council Meeting
June 15, 2009

The regular meeting of the Elkton Town Council was held on June 15, 2009, in the Council Chambers at the Elkton Area Community Center with Mayor Larry A. Bompiani presiding. The following Council members were present:

PRESENT
M. Dearing
M. Isom
H. Armbruster
D. Kite
P. Workman
R. Snow

Town Manager Reid A. Wodicka, Town Attorney Lauri A. N. Sigler, Chief of Police James A. Morris, Treasurer Clairen Sipe, Recreation Director Diane Johnson and Clerk of Council Denise R. Monger were also present.

Mayor Bompiani called the meeting to order and the Clerk was asked to call the roll.

Council member Isom gave the invocation.

Members of Boy Scout Troop No. 46 were present and led in the Pledge of Allegiance.

CITIZEN COMMENTS

Lugene Dovel, 407 Lee Avenue, Elkton, asked for mercy from the Town Council due to his ailing health. He noted his difficulties attending court and doctor's offices due to his health.

Mildred Shifflett, 112 West Spotswood Avenue, Elkton, asked that Council consider lowering the proposed water and sewer rate increases. She noted that many elderly citizens were facing hardships. She noted that the Kite property needed to be sold. She noted that many businesses were leaving due to the proposed increase in water and sewer rates and meals tax. She noted that perhaps lowering the meals tax would attract some new businesses into Town.

Hazel Crider, Elkwood, Elkton, stated that when the new Council members took office, promises were made of a new image for the Town. She noted that had not taken place. She noted that citizens and businesses were moving out of Town. Mrs. Crider stated that the Town had excellent and honest employees. She noted that all of the employees should be treated fairly and with respect by everyone. She noted that the employees had low morale and expected the matter to be looked into. She noted that the current proposed budget should not be approved. She noted that the proposed increases of 60% were unreal. She noted her understanding that over years some issues had not been addressed. However, it was unfair to expect the citizens, during the current economic conditions, to pay such a high percent at one time. She noted the importance of aggressively trying to sell the Kite property.

Mayor Bompiani spoke regarding the recent quarterly retreat that Council had attended. He noted that information would be forthcoming from that meeting. He noted that Council had discussed in detail the future of the Kite property, mandates from DEQ and. plant capacity. He appreciated everyone's concerns on the finances and noted that all Council members and their families would also be affected in some way by the decisions made.

Council member Snow stated that as a result of the Town spending $2.8 or $3.4 million, it would receive a "doubling" of the capacity at the wastewater treatment plant after all improvements were made.

MINUTES

Motion to Approve Council Meeting Minutes

Mayor Bompiani stated that Council had time to review the minutes from the May 12, 2009 Work Session Minutes, May 18, 2009 Public Hearing Minutes and May 18, 2009 Regular Council Meeting Minutes.

Vice Mayor Dearing moved, seconded by Council member Armbruster, and carried to approve the minutes as read.

YEAS: M. Dearing, M. Isom, H. Armbruster, D. Kite, P. Workman and R. Snow

NAYS: None

VOTE: (6 – 0 voice vote) Motion carried

TOWN MANAGER'S REPORT

Mr. Wodicka's report was not submitted for the packet.

Mr. Wodicka stated that an employee was promoted to the position of Maintenance Supervisor. He noted that some reorganization had taken place in the Public Works Department. He noted that three divisions now exist. He noted that Robert Dean received the promotion.

TREASURER'S REPORT

Treasurer Sipe reported an ending ledger balance of $399,117.75 for General Government for the month of May 2009. Total designated money was $140,351.52, leaving total available cash of $258,766.23.

Vice Mayor Dearing moved, seconded by Council member Workman, and carried to accept the Treasurer's report as presented.

Vice Mayor Dearing stated that an agreement was made in the early 90's with HEC to purchase 5% of a generator. Since zero taxpayer money was used, a balance of $50,000 would remain in the HEC fund. He noted that any funds over that amount would be reimbursed to the customers. He noted that the account was currently over $67,000. He inquired if a possible rebate could be given. Treasurer Sipe stated that a review of individual accounts would need to be made to determine a rebate for customers.

Council member Snow stated that in some past years, money was given back to customers. He noted that a possible discount for residential customers.

YEAS: M. Dearing, M. Isom, H. Armbruster, D. Kite, P. Workman and R. Snow

NAYS: None

VOTE: (6 – 0 roll call) Motion carried

Council member Snow stated that the Town had a debt payment due in July for approximately $250,000. He noted that money would need to be transferred from the Town's REPO fund to supplement Town funds in order to cover the debt.

COMMUNITY CENTER ADMINISTRATOR'S REPORT

EACC Administrator Morris was not present at the meetings.

A brief discussion took place regarding the dedication of the center's sign.

CHIEF OF POLICE REPORT

No additional discussion on the report took place.

Vice Mayor Dearing stated that the police department needed to send blight letters to the violators in Town.

Council member Armbruster stated that a virus had corrupted one of the laptops in the police cruisers. It was determined that the Town's IT firm was in the process of sweeping the equipment to asses the damage.

Council member Isom noted her appreciation for the police department's efforts regarding their bike patrol

NEW BUSINESS

Discussion Regarding Wastewater Treatment Plant

Vice Mayor Dearing stated that discussions had taken place regarding if the Town needed to spend $2.8 million or $3.4 million. He noted that Town Attorney Sigler had assembled documentation which included a proposal from the Town to DEQ which stated the upgrades that the Town agreed to perform under the Consent Order. He noted that DEQ had accepted the proposal and lowered the Town's fine amount because of the improvements agreed upon.. He noted that "Appendix A" of the Consent Order stated that Phase I and a portion of Phase II would be performed as part of the upgrades under the Consent Order. He noted that the Town was obligated to perform those upgrades as stated.

Town Attorney Sigler stated that a Corrected Plan of Action was dated March 18, 2008. She noted that the Consent Order was finalized in October 2008. She noted that a Preliminary Engineering Report dated July 2007 had been prepared by Anderson & Associates. She noted that the report had been prepared before any of the Notice of Violations had taken place. She noted that the report had already noted deficiencies at the Town's plant. She noted that as part of the Town's Preliminary Action Plan, the Town would implement the first two phases of the PER. She noted that the PER was one requirement from DEQ before negotiations started.

Additional discussions took place on the matter stating some additional actions that would take place at the plant, lines for the new schools, line under the railroad and Phase III and Phase IV.

Mayor Bompiani thanked Mr. Wodicka for his lead on the project. He anticipated that Mr. Wodicka would ensure the Town would meet DEQ's expectations.

Mayor Bompiani thanked Town Attorney Sigler for her efforts in assisting Council in understanding all of the issues with DEQ and for compiling the documentation presented.

Council member Snow suggested a town-wide inspection of residential homes for sump pumps and connections. Town Attorney Sigler stated that a sewer use ordinance would need to be adopted by the Town Council as part of the Consent Order. She noted that action would give the Town extra oversight and authority for those matters.

Appoint Members to Board of Zoning Appeals

Mayor Bompiani stated the Town had lost a good leader with the passing of Mr. Leroy Leap. He noted that a replacement would be needed on the Board of Zoning Appeals.

Vice Mayor Dearing moved, seconded by Council member Snow, and carried, that based on a recommendation from the BZA, I move that we appoint Kenneth E. Monger or Bucky Monger as we know him, at 215 East Rockingham Street, as our nominee.

Council member Snow noted that the above-reference motion was a recommendation to the Circuit Court.

Vice Mayor Dearing amended his motion to include an appointment for Anthony Lawson as an alternate. Council member Snow seconded the amendment.

YEAS: M. Isom, M. Dearing, H. Armbruster, D. Kite, P. Workman and R. Snow

NAYS:

VOTE: (6 – 0 roll call) Motion carried

It was determined that the Budget Workshop would take place after the Committee reports were presented.

COMMITTEES

Vice Mayor Dearing suggested that the "Committees" portion of the Regular Council Meeting be removed since the same information was discussed at the Council Workshop.

Further discussion took place regarding Committee information being provided on the Town's website which was currently under construction or placing Committee reports in back of the Council chambers for citizens to take home and read.

Mayor Bompiani asked that if no further substantial information were available regarding the Committees, that Council progress to the budget workshop portion of the meeting. Council member Snow stated that he had additional items regarding the Community Center.

Community Center

Council member Snow noted that the committee had met on June 3. He noted that the bylaws were adopted, a mission statement was approved for the board of directors, some committees were established and various people were appointed to those committees.

Electric

Council member Isom inquired the status of the generator. Mr. Wodicka stated that Mr. Vaughan sold the Town sound panels to be erected near the generator to reduce noise. The panels should be hauled to the site on Thursday.

Cemetery

No report.

Water & Sewer

No report.

Planning Commission

No report

Recreation

No report.

Economic & Community Development

No report.

Streets and Sidewalks

No report.

Personnel

No report.

Finance

No report.

Public Health, Safety, Ordinances

No report.

Advisory

The Advisory Committee recommended the following:

1. There is a safety hazard in the alley between Spring Ave. and West Washington. The pipe installed to help with the water problem needs a permanent cover.

2. North Ave. in the area of Willow Oaks Drive needs mowing and a general clean up.

3. The Town should encourage the owners of the property between the Post Office and Randy's Auto to remove the rusty pipe and the sign that is no longer of any use.

4. The alley between the Elementary School and Ashby Avenue needs mowing and a general clean up.

Mayor Bompiani thanked the Advisory Board members: Madelyn Dixon, George Grunwald, Bob Hammer and Chairperson Haze Crider for their efforts.

UNFINISHED BUSINESS

Town Attorney Sigler stated that a public hearing regarding the request from the Lohman's was schedule for Tuesday, July 14, 2009 before the Council Workshop.

Council member Workman noted he would not be in attendance due to vacation plans.

Mayor Bompiani thanked Jeremy Hunt and Ted Hayes, reporters, for their assistance in explaining the Clean Coal Research Park.

Vice Mayor Dearing noted that an appropriation ordinance had been presented to Council. He asked that Council review the document.

Town Attorney Sigler stated that the ordinance would need to be adopted by the Council which would appropriate money in the budget. She noted that the Town's charter required two readings in order for the ordinance to be adopted.

Mayor Bompiani inquired if there was enough time to accomplish the adoption of the ordinance and budget. Town Attorney Sigler responded that the appropriation ordinance could be approved in July after the adoption of the budget if additional meetings could not be scheduled in the month of June.

A brief discussion took place regarding a Special Council Meeting on June 23, 2009 at 6:00 p.m., a Special Council Meeting on June 29, 2009 at 7:00 p.m. and elected members voting.

Council member Workman spoke regarding the Elk Run Creek project. It was noted that a "land swap" would take place between the Town and Michael Lucci.

Vice Mayor Dearing stated the Mr. Lucci wanted to exchange a parcel of land located in the rear of his new restaurant with land adjacent to Elk Run Creek. Town Attorney Sigler stated that a public hearing would need to be held on the matter and a real estate contract prepared. It was determined that Mr. Wodicka should meet with Mr. Lucci regarding the matter.

Council member Isom inquired what the status was of the properties owned by a certain group of people in Town. She noted those areas were in need of mowing. Chief Morris stated that he was in contact with the U. S. Marshall's office regarding the matter. He noted that he was in the process of assisting that office. He noted the possibility of another agency coming in to assist in the clean up of those properties.

TOWN ATTORNEY/REPORT/ACTION NEEDED

Town Attorney Sigler noted no additional items of discussion.

Vice Mayor Dearing stated that the Town had a policy that any out of Town water connections needed approval by Council. He noted that the Director of Public Works, Timmy Turner had received 4or 5 requests. The Vice Mayor requested that those decisions regarding approvals for connections be given to the Town Manager.

Town Attorney Sigler stated that a residential application could be approved by the "director" as stated in the Town's Code. However, commercial applications would need to be approved by the Town Council after a recommendation by the Planning Commission.

MAYOR'S BUSINESS

Mayor Bompiani stated that the Budget Workshop would be moved to Community Room #2.

BUDGET WORKSHOP

Mr. Wodicka presented budgets to each of the Council members and the Town Attorney.

The following were items of discussion by Mr. Wodicka:

- "Other" items listed in more details
- Salary cost by department
- Personal services calculations increased
- "Streets" changed due to the addition of a Maintenance Supervisor and reclassification of an employee
- Council member Isom (inaudible)
- More funding for training for police department
- General Funds revenues improved
- Utility services (electric) removed from budget in all departments
- Developed additional "sinking fund" for water department
- $2.8 million may be an amendment to the budget
- First payment for revolving loan fund due when construction complete; should be in 09/10 fiscal year
- Negative expenditure in capital projects of $150,000 / removed item from budget

The following items of discussion were presented by Council member Snow:

- No revenue from revolving loan fund in proposed budget
- $66,500 donation from Rockingham County for the Community Center in proposed budget
- $52,000 for Blue & Gold Drive to be reimbursed from revolving loan fund
- Rick Carey in charge of tracking items under procurement procedures for revolving loan fund
- Inquiry if additional pump was shelved at the well for emergencies
- Lengthy discussion took place regarding the format of the budget
- Copy of budget normally available for citizens in the Treasurer's Office
- More information should be made available to the public; reduction in FOIA requests possible
- Disagreement regarding what budget information that should be made available
- Legal issue – appropriation ordinance must be adopted
- Legal issue – requires certain format; Elkton, New Market and Grottoes were incorrect
- $12,450 - "membership dues" category for various memberships to professional organizations; main expenses from police & sewer departments
- 1% pay raise for Town employees promised past three years
- Police department $18,000 in overtime with six officers
- Street Maintenance $12,000 overtime
- Water, Sewer & Electric would continue to have overtime due to callouts
- Overtime – management issue not budget issue
- Cut overtime to give cost of living raise to employees
- Decrease in electric purchase due to savings from generator
- Employee pay raise possible in January of 1%
- No cutbacks or firings of Town employees had taken place like other places
- Maintain employment or could let a couple of employees go and spread their salary to other employees
- Sewer line issue; no funds to perform all needed repairs
- Third tier of rate increases may not be necessary
- Budget newsletter forthcoming
- Separate enterprise fund needed for water and sewer departments

- Additional rate increases may be needed if interest rates added into debt service
- Town rates low in comparison to other Towns; main complaint that rate increase was too large at one time
- Citizens would be more supportive of rate increases if a lower percentage was proposed
- Inquiry as to date that zero percent interest loan would be guaranteed
- Town Manager had requested written confirmation from DEQ; never had a Town ask for a confirmation before
- Rates identified were needed in order for the Town to achieve a similar average of other localities; not based on loan payment
- Funds needed for other capital improvements at the plant; system had not been maintained
- Bridgewater newsletter stated average water bill was $23.96 and average sewer bill $25.32 = $49.00
- Professional Town management to take Town in the right direction
- Poverty level needed to be established to assist certain citizens
- Pentecostal Hill connection fees discussed
- Walter Gills of DEQ had discussed the zero percent interest rate for the Town
- Electric rebate for citizens
- Need guidance from Town Manager regarding public relations
- Question if some additional cuts were possible in order to give employees more than a 1 % pay increase
- Value employee's services
- Kite House Fund – turn water off and close up house; cut off all utilities
- Sperry Van Ness to review Kite property and send proposal
- Remove $14,000 from Kite House Fund (general consensus of Council)
- Discussion to cut uneven bars for $6,000
- Discussion to cut Cemetery fence for $12,000 (private donations to fund)
- Citizens would "beat-up" employees if salary increase took place
- Categories of "advertisements' discussed; water reports mailed
- Appreciation for Town Manger contacting Cathy Murphy to discuss issues
- EAUS and churches assist poverty-stricken residents
- No raises; get rid of some Town employees
- Cannot justify raises with rate increases
- All seniors collecting social security received a cost of living raise from the government
- Budget to be amended
- Town Manager to have one full year to work on the budget with the Finance Committee next year
- Additional revenue source needed; same picture to take place next year
- Tax rates needed to be increased as compared to other localities
- Page County taxes had increased dramatically
- No lay-offs for Town employees
- Lower percentage water and sewer rate increase needed
- Review pay raises another time; Town employees lucky to have jobs
- No written documentation guaranteeing zero percent interest on loan with DEQ
- Pay raises would motivate employees to take on additional tasks
- When economy was flourishing rate increases did not take place
- Informal poll for Town Manager to review the budget for ways to cut expenses and possibly provide pay increases for Town employees:

Kite: Yes	Isom: Yes - in January
Snow: No	Dearing: Yes
Workman: Yes	Armbruster: Yes

Bompiani: No

- Review projects and reject any unnecessary spending

As there was no additional business, **Council member Workman moved, seconded by Council member Kite and carried to adjourn the meeting.**

YEAS: M. Dearing, M. Isom, H. Armbruster, D. Kite, P. Workman and R. Snow

NAYS: None

VOTE: (6 – 0 voice vote) Motion carried

Mayor: Larry A Bompiani
Larry A. Bompiani

Recorder: Denise R. Monger
Denise R. Monger, Clerk

APPENDIX A

AGENDA
ELKTON TOWN COUNCIL
June 15, 2009

- ❑ **ROLL CALL**
- ❑ **INVOCATION**
- ❑ **PLEDGE OF ALLEGIANCE**
- ❑ **CITIZEN COMMENTS, QUESTIONS, REQUESTS, AND PRESENTATIONS WHICH DO NOT VIOLATE STATUTORY PUBLIC HEARING REQUIREMENTS.** (Council may establish or alter rules governing this or other public comment periods.)
- ❑ **CONSENT AGENDA** (All items under this agenda are adopted as part of one motion. Any items for discussion or dissenting votes will be moved to Old or New Business.)
  - May 12, 2009 Work Session Minutes
  - May 18, 2009 Public Hearing Minutes
  - May 18, 2009 Regular Council Meeting Minutes
- ❑ **TOWN MANAGER'S REPORT**
- ❑ **TREASURER'S REPORT**
- ❑ **COMMUNITY CENTER ADMINISTRATOR'S REPORT**
- ❑ **CHIEF OF POLICE'S REPORT**
- ❑ **NEW BUSINESS**
  1. Discussion Regarding Wastewater Treatment Plant
  2. Appoint Members to Board of Zoning Appeals
  3. Budget Workshop (Convene in Community Room #2 after all other business)
- ❑ **COMMITTEE REPORTS**
  - Electric
  - Finance
  - Personnel
  - Public Health, Public Safety, Ordinances
  - Streets and Sidewalks
  - Water and Sewer
  - Economic & Community Development
  - Community Center
  - Recreation
  - Planning Commission
  - Cemetery
  - Advisory
- ❑ **UNFINISHED BUSINESS**
- ❑ **TOWN ATTORNEYS/REPORT/ACTION NEEDED**
- ❑ **MAYOR'S BUSINESS**
- ❑ **CLOSED SESSION**
- ❑ **ADJOURNMENT**