

**CHRISTIANSBURG TOWN COUNCIL
CHRISTIANSBURG, MONTGOMERY CO., VA.
MINUTES OF MAY 7, 2008 AT 3:00 P.M.**

A SPECIAL WORK SESSION OF THE CHRISTIANSBURG TOWN COUNCIL, MONTGOMERY COUNTY, CHRISTIANSBURG, VA. WAS HELD AT THE CHRISTIANSBURG TOWN HALL, 100 EAST MAIN STREET, CHRISTIANSBURG, VA, ON MAY 7, 2008 AT 3:00 P.M.

COUNCIL MEMBERS PRESENT: Mayor Ballengee, Councilmembers Barber, Canada, Carter, Huppert, and Stipes. COUNCIL MEMBERS ABSENT: Councilman Wade. Also present Town Manager Terpenney, Assistant Town Manager Helms, Town Clerk Stipes, and Town Attorney Waddell.

MAYOR BALLENGEE stated there was a quorum present of Council Members.

PLEDGE OF ALLEGIANCE led by Mayor Ballengee.

SPECIAL WORK SESSION

MAYOR BALLENGEE called for a motion to enter into a Special Work Session of Council. Councilwoman Carter made a motion to enter into a Special Work Session, seconded by Councilman Barber. Council voted on the motion as follows: AYES: Barber, Canada, Carter, Huppert, and Stipes. NAYS: None.

MAYOR BALLENGEE opened the Special Work Session by saying that, according to Town Charter, the Town Manager is charged with preparing the Town budget and presenting it to Council for approval. The draft is prepared over the course of several months. This work session gives Town Council members the opportunity to discuss the draft and present questions to the Town Manager.

TOWN MANAGER TERPENNEY clarified for Council an error in the budget cover memo. Notations in the cover letter addressing the water, sewer and solid waste budget should read that the proposed rate increases would account for one-half of the deficit between present revenue and true operating cost, not the entire deficit. The water, sewer, and solid waste enterprises will continue to be supplemented by the general fund, as in past years. Town Manager Terpenney recommended that the water, sewer, and garbage fees be increased in the FY 2008-2009 to pay for one-half of the deficit, with the remainder of the deficit being addressed in next year's budget. The water and sewer rate increases proposed in the budget would result in a monthly increase of \$7.70 for an average usage of 6,000 gallons of water, and passes on the increase imposed by the Blacksburg, Christiansburg, VPI Water Authority. Council discussed at length a plan that would make garbage collection mandatory for residents in Town. Council does not support mandatory garbage collection for businesses, many of which use private garbage haulers, and Council directed the Town Attorney to research whether the Town can impose mandatory garbage collection for residences, but not for businesses. If this is not permissible, Council supports an increase in the garbage rates of \$2.00, which results in a monthly increase of \$9.70.

In addition to the above rate increases, it is the consensus of Council to not increase the meals or lodging tax; to increase the cigarette tax by \$.05 per pack; and to increase the Business, Professional, and Occupational License (BPOL) tax by \$.05 for retail, bringing the tax to \$.15/\$100, which is still below the BPOL rates of our neighboring localities. BPOL tax is based on gross sales receipts, which means a larger merchant will pay more tax than a small, independently owned business.

COUNCILMAN CANADA suggested that the Town form a committee of representation from each town department to meet monthly to discuss progress and cost-cutting ideas.

COUNCIL discussed the 1% lodging tax given to the Montgomery County Chamber of Commerce for tourism initiatives. Council agreed that the amount given to the Chamber should be capped, with the overage being used by the Town to promote tourism. Council agreed to further discuss this matter at a future date.

COUNCIL agreed to add to the budget a contribution to Schaffer Memorial Baptist Church in the requested amount of \$8,173.00, to be paid over two fiscal years, to help with the replacement of the slate roof. The requested amount will help the church secure a matching federal grant.

COUNCIL asked to see an updated draft of the budget reflecting the decisions made by Council during this meeting.

MAYOR BALLENGEE mentioned that the Public Hearing for the proposed fee increases is scheduled for June 3, 2008.

COUNCILMAN BARBER made a motion to close the Special Work Session, seconded by Councilman Huppert. Council voted on the motion as follows: AYES: Barber, Canada, Carter, Huppert, and Stipes. NAYS: None.

ADJOURN:

There being no further business to bring before Council the meeting was adjourned at 5:20 P.M. On motion by Councilwoman Carter, seconded by Councilman Huppert, Council voted as follows: AYES: Barber, Canada, Carter, Huppert, and Stipes. NAYS: None.

Michele M. Stipes, Clerk of Council

Richard G. Ballengee, Mayor