

**CHRISTIANSBURG TOWN COUNCIL
CHRISTIANSBURG, MONTGOMERY CO., VA.
SPECIAL MEETING MINUTES
MARCH 16, 2021 – 6:00 P.M.**

A SPECIAL MEETING OF THE CHRISTIANSBURG TOWN COUNCIL, MONTGOMERY COUNTY, CHRISTIANSBURG, VA. WAS HELD AT CHRISTIANSBURG TOWN HALL, 100 EAST MAIN STREET, CHRISTIANSBURG, VIRGINIA, ON MARCH 16, 2021 AT 6:00 P.M.

COUNCIL MEMBERS PRESENT: Mayor D. Michael Barber; Vice-Mayor Samuel M. Bishop; Johana Hicks; Steve Huppert; Henry Showalter; Bradford J. Stipes. ABSENT: Merissa Sachs.

ADMINISTRATION PRESENT: Town Manager Randy Wingfield; Assistant Town Manager Andrew Warren; Executive Assistant/Clerk of Council Tracy Heinline; Finance Director Valerie Tweedie; Engineering Director Wayne Nelson; Assistant Engineering Director of Land Development and Operations Mike Kelley; Assistant Engineering Director of Capital Projects and Utilities Justin St. Clair.

WORK SESSION

I. Call to Order

II. Discussion by Mayor and Council

A. Fiscal Year 2021-2022 budget:

1. Continued discussion from the March 2 work session on the Business License structure and potential elimination of personal property tax and motor vehicle license fee.
Town Council agreed discussion from the March 2 work session had been finalized and should be considered completed.
2. Community support applications – confirm allocation.
Finance Director Valerie Tweedie referenced a tally vote she had sent to Council previously concerning community support applications. Councilwoman Sachs communicated before the work session her desire to change her vote to aye concerning the late support applications of the United Way and the Montgomery County Museum. Councilman Stipes expressed he would also like to change his previous vote to aye for the Museum application only and stated he felt the Museum depended on the Town's funding a great deal. Councilman Huppert agreed that the Museum largely depended on the Town for funding and would support the late submission. Councilman Bishop expressed that he would keep his vote of nay and felt that rules should be the same across the board for applicants. This made the final vote 4 ayes and 2 nays to consider the late submission from the Museum. Councilwoman Hicks reminded Council that the Museum and United Way did receive Cares Act funding as well and expressed concern for changing the rules for applicants and believed if you accepted one late application you should accept all.
3. Revenue projections.
Mrs. Tweedie reported that during the last year state sales tax numbers had decreased due to Covid-19. She explained that meals and lodging revenue numbers were low but those

numbers were expected during the Covid-19 months. Mrs. Tweedie explained that youth athletics in the fall and restaurants opening back up in the Town would hopefully improve the meals and lodging revenue for the upcoming year. Mayor Barber agreed with the revenue projections that were proposed and felt that if the Town sees an increase in income then they could revisit the budget, and items that may have been cut previously could be funded. Councilman Stipes agreed on remaining where they are with the revenue projections. Councilman Huppert expressed that the Marketplace would be opening several restaurants in the next couple months and that would hopefully generate an increase in revenue. Mrs. Tweedie expressed that she would leave projections as they stand in the draft budget and over the next couple months, before the budget is approved, revisit to see if there were notable increases in those revenues.

4. Rates and fees.

Town Manager Wingfield proposed increasing water fees by \$1 per thousand this fiscal year. Mr. Wingfield explained this was a recommendation by staff due to foregoing the increase that was scheduled last year. He further explained if the Town could not cover the cost with the utility program, then it would be subsidized by the general fund instead. Councilwoman Hicks expressed concern for supporting the increase to water fees and questioned if future Cares Act money could be used for this instead. Mr. Wingfield explained he would not include stimulus money in the draft budget until he had a commitment letter. Councilwoman Hicks expressed interest in utilizing the general fund instead of a water fee increase. Mayor Barber explained the general fund should only be used to fund water operations for situations of dire emergencies and expressed that if the Town at some point had no revenue coming in, then at least six months of bills could be paid with the general fund balance. Mayor Barber polled Council concerning the proposed water fee increase and Council answered as follows: Hicks-nay; Bishop-aye; Showalter-aye; Stipes-aye; Huppert-aye.

Mr. Wingfield mentioned to Council consideration of an increase of the consumer utility tax. He explained the tax could increase the rate from \$2.50 to \$3.00. per month and in turn could generate approximately \$100,000 in revenue for the Town annually. He explained the company would collect on the bill and the Town had the right to increase the cap of the utility rate maximum. Councilman Huppert expressed that he felt Appalachian Power Company would increase rates in the very near future and he did not want to see citizens struggle due to the Town raising this tax as well. Mayor Barber polled Council for consideration to raise the consumer utility tax rate from \$2.50 to \$3.00 Council answered as follows: Hicks-nay; Bishop-nay; Showalter-nay; Stipes-nay; Huppert-nay.

Mr. Wingfield also informed Council the state had changed the provision regarding cigarette taxes. The Town has the right to charge \$.40 up to \$.60 cents per pack. Mr. Wingfield explained that the surrounding counties and towns were considering the same rate of \$.40 per pack, which is the current Town rate.

5. New position requests.

Mr. Wingfield reported to Council there were nine requests for full-time positions for the draft budget. He explained there were four full-time positions out of those nine that he included in the budget for this upcoming year. A full-time fire fighter for the Fire department that would help with vehicle and equipment maintenance and general assistance, with a salary of approximately \$40,000; a full-time EMS Provider for the Rescue department, with a salary of approximately \$40,000; and two full-time positions for the new park to oversee the coordination of events and a maintenance supervisor of the new fields. Mr. Wingfield stated that the park positions would be for six and three months respectively. Councilwoman Hicks questioned if the current Assistant Event Coordinator could possibly take care of both the Recreation Center and the proposed new

park. Mr. Wingfield expressed he would speak with Director of Parks and Recreation Brad Epperley and report back to Council.

6. Capital projects.

Mr. Wingfield referenced the capital outlay list in the agenda packet and explained that staff was still working on the equipment list and decreasing the costs.

Councilwoman Hicks questioned the software project and if there would be more costs for that project. Mrs. Tweedie explained that the total cost for the new software was approximately \$1.7 million and that the portion that wasn't used this year would roll over to the next fiscal year.

Mrs. Hicks also inquired about the two police cars in the draft budget and asked why the County does not share the cost for police vehicles. Mayor Barber explained that the police department does not normally patrol outside of corporate limits except for providing mutual aid. Councilman Showalter encouraged Mrs. Hicks to follow up with County Administrator Craig Meadows and to report back to Council.

7. Capital equipment.

Mayor Barber referenced the capital equipment slides and mentioned that several items had been cut by staff directors and inquired if they felt they had the essentials they needed to continue operating. Councilman Stipes stated that Council relies on the Town Manager to decide what is critical to place in the budget. Mr. Wingfield expressed that they were still looking at equipment expenses and should finalize the draft budget for the regular meeting on March 23. Councilman Stipes expressed he could not support a bathroom for the Downtown Park for the cost of \$60,000. Councilwoman Hicks disagreed and mentioned that walking to the library to use the restroom facility was too far. Mrs. Hicks expressed that the Downtown Park is a frequented park and used every day. Councilman Showalter expressed that the bathrooms proposed could be purchased with Recovery Act funds later in the year. Mayor Barber polled Council concerning the proposed bathrooms at the Downtown Park and Council answered as follows: Hicks-aye, Bishop-nay, Showalter-nay, Stipes-nay, Huppert-nay.

Mr. Wingfield explained the proposal of replacing all the PAC units at the Aquatic Center and were looking at a study to bring that total cost down. He proposed to replace a 2010 van at the Aquatic Center used for summer camps and shuttling for overflow parking. Councilman Stipes questioned if a shuttle service had been considered instead of replacing the 10-passenger van. Mr. Wingfield explained this past year usage had been down due to Covid19 but would talk to Terry Caldwell at the Aquatic Center to see if that option had been considered and to get more detail on the amount of utilization.

Mr. Wingfield explained the Engineering Department had asked for funds to replace a 1999 Tahoe for the Engineering inspectors to use. Councilman Showalter mentioned being conservative with Town vehicle purchases and asked for a town wide description of usage of vehicles.

Councilwoman Hicks agreed and urged Council to look at citizens cutting their budgets due to the pandemic and expressed the image the Town would portray by purchasing unnecessary vehicles. Councilman Stipes agreed that the Town should look like the community it serves and believed there were useful used vehicles the Town could investigate.

Mr. Wingfield explained the paving of the overflow parking for the Aquatic Center and expressed that the cost would include lighting as well. He also noted the streets that were proposed for paving in the draft budget as well as the traffic signal study.

Mrs. Tweedie touched on the budget item for the new park and explained the Rec grant from the access road, sponsorships, donations, and selling of the land would help support this item.

Councilman Showalter inquired if the Town would continue with past policy to not pave Roanoke Street until the replacement of the waterline. Mr. Wingfield explained that the waterline would be replaced before paving would take place.

Councilwoman Hicks questioned what was included in the Hickok Street Improvements. Director of Engineering Wayne Nelson explained there was one phase to the Hickok improvements and that included restoration of the street. Councilman Stipes explained the Hickok Street improvements was the first step towards College Street improvements. Mr. Wingfield explained the College Street drainage study item was a detailed drainage study and after this study the Town would be seeking out grants for construction.

8. Merit pool and cost-of-living adjustment (COLA).

Mr. Wingfield presented Council with a spreadsheet regarding the history of the Town merit allocations, cost-of-living adjustments, and bonus percentages. Mr. Wingfield explained that in the draft budget there was a proposal for a 1% COLA and a 2% merit pool, and both would be allocated in or around October of this year. Councilman Stipes expressed support for the merit pool and cost-of-living adjustment for Town employees. Councilwoman Hicks had concern that Council was trying to cut budgets and mentioned it was too soon for an increase for staff. Mrs. Hicks expressed that staff had performed well but felt it was hard to announce the Town would be increasing water rates and then give staff raises. She encouraged Council to do an amendment later and maybe revisit this proposal in the summer. Councilman Huppert noted that he felt inflation was going to hurt the Town staff in the near future and believed Council should accept this proposal to keep up with cost-of-living. Councilman Stipes noted that the County was including raises of 3% in their budget. He also expressed that staff retention is important and the Town needed to keep the right employees staffed. Mayor Barber polled Council concerning the proposed merit pool and cost-of-living proposal for the draft budget and Council answered as follows: Hicks-Nay; Bishop-Aye, Showalter-Aye, Stipes-Aye, Huppert-Aye.

9. Insurance outlook.

Mr. Wingfield reported to Council that the Town's insurance benefit rates have not changed and would remain the same. Mrs. Tweedie explained that last year the insurance premium had increased and this year insurance costs came down, but the Town was able to remain consistent on what employees paid. She expressed that the liability insurance and workers compensation insurance had stayed steady this year and the Town would be reimbursed a small credit in the amount of \$10,000 due to a decrease in part-time employees during the pandemic.

10. Park financing.

Mrs. Tweedie reported that since the financing of the park would be under \$10,000,000, it would be considered a bank qualified financing which means one bank can provide that financing. She explained this option would be more cost efficient and less time consuming than having a bond issued. She explained the Town would utilize VML/VACo Finance who has the appropriate financial consultants to look at the debt and terms, etc. and would put together an RFP for the Town. Mrs. Tweedie explained that after the RFP was written then bids would go out to different banks. VML would then produce those bids to the Town for a decision. Town Council supported moving in the direction of the loan rather than bond financing.

Mr. Wingfield inquired if Council would like to come back on Thursday and continue any discussions concerning the budget. Council agreed all the items on the agenda had been covered

and the meeting for Thursday could be canceled. Mrs. Tweedie expressed she would have a small presentation of the budget on Tuesday night for Council.

III. Adjournment.

There being no further business to bring before Council, Mayor Barber adjourned the meeting at 8:31pm.

Tracy Heinline, Clerk of Council

D. Michael Barber, Mayor