

**CHRISTIANSBURG TOWN COUNCIL
CHRISTIANSBURG, MONTGOMERY CO., VA.
MINUTES OF JULY 6, 2010 AT 7:30 P.M.**

A REGULAR MEETING OF THE CHRISTIANSBURG TOWN COUNCIL, MONTGOMERY COUNTY, CHRISTIANSBURG, VA. WAS HELD AT THE CHRISTIANSBURG TOWN HALL, 100 EAST MAIN STREET, CHRISTIANSBURG, VA, ON JULY 6, 2010 AT 7:30 P.M.

COUNCIL MEMBERS PRESENT: Mayor Richard G. Ballengee; Vice-Mayor Ann H. Carter; D. Michael Barber; Bradford J. Stipes; D. Henry Showalter; James H. Vanhoozier; H. Earnest Wade. ABSENT: None.

ADMINISTRATION PRESENT: Town Manager R. Lance Terpenney; Town Clerk Michele M. Stipes; Assistant Town Manager Helms; Public Relations Officer Becky Hawke; Director Wayne Nelson; Human Resource Director Clay McCoy; Town Attorney Jim Gynn.

PLANNING COMMISSIONERS PRESENT: Chairperson Craig Moore; Wayne Booth; Ann H. Carter; Steve Huppert. ABSENT: Mike Byrd; Kevin Conner.

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

PLEDGE OF ALLEGIANCE.

COUNCILMAN SHOWALTER made a motion to remove the Closed Meeting (Item 5 under Discussions by Mayor and Council Members) from tonight's agenda due to the nature of the discussion, and fact that the Town Attorney who drew up a document he believes will be discussed is not present. Councilwoman Carter seconded the motion and Town Clerk Stipes polled Council as follows: Barber – Nay; Carter – Aye; Showalter – Aye; Stipes – Nay; Vanhoozier – Nay; Wade - Nay. The motion is denied.

COUNCILMAN SHOWALTER made a motion to amend the agenda to include a discussion on new employee step increases. Councilman Wade seconded the motion and Council voted as follows: AYES: Carter, Showalter, Stipes, Vanhoozier, Wade. NAYS: Barber. Mayor Ballengee placed the matter as #5 under Discussions by Mayor and Council Members, moving the Closed Meeting to item #6.

PUBLIC HEARING

1. Jet Broadband Franchise Renewal. Council's intent to adopt a franchise agreement between the Town of Christiansburg and Jet Broadband VA, LLC, which will grant Jet Broadband a nonexclusive franchise to construct, maintain, extend, and operate a cable communications system in the Town of Christiansburg. It is the understanding of the Town of Christiansburg that Shentel Cable Company will request the transfer of the franchise. The term of the franchise is fifteen (15) years. Mayor Ballengee presented to Council the Jet Broadband Franchise Renewal contract as recently distributed to Council for review. It was noted that this is a non-exclusive contract. Mr. David Ferguson, a representative of Shentel Cable Company for 43 years, explained the renewal and subsequent transfer process. Shentel Cable Company is in the process of purchasing the cable system from Jet Broadband and plans to close the end of July. Mr. Ferguson noted that the cable franchise contract between Jet Broadband and the Town of Christiansburg had expired and the attorney involved drafted the same cable franchise contract renewal used by the City of Radford. Mr. Ferguson stressed the importance of Christiansburg adopting a franchise agreement with Jet Broadband, then transferring the franchise agreement to Shentel, which will cause no disruption to Shentel's pending purchase of Jet Broadband. Fifty-six municipalities in Virginia have provided transfers to Shentel. Mr. Ferguson provided Council with a background review of Shentel Cable Company, which has been a Virginia company since 1902, beginning as a telephone carrier. Shentel is the fourth largest cable carrier in Virginia, operating as a management team and is not an investment company. The few investors in the company originated when Shentel was a co-op as a telephone company. There are four thousand four hundred stockholders in the company and no one owner holds more than six-percent of the company. Mr. Ferguson stated that Shentel will grow the customer base in Christiansburg by providing good service, fair prices, with a direct focus on subdivision housing that Mr. Roger Woody earlier expressed as a concern. Shentel Cable Company is located in Edenton, Virginia and its largest customer base is in Blacksburg. Mr. Ferguson provided a handout to Council outlining the company and service areas as further support of this request. With the transfer, Shentel Cable Company will cover all current Jet Broadband customers, and will continue to employ those currently employed by Jet Broadband. Service pricing will remain the same and Shentel

will provide any needed improvements to the system. Mr. Ferguson reported that Shentel has a technical support center and a communications center that utilizes live operators seven days per week, twenty-four hours a day. The live operators are governed by strict guidelines on customer service. Fees will increase for added services, with options available for telephone, internet, and cable television. Mr. Ferguson said that Shentel is aggressive in retaining customers for bundled packages, which include discounted pricing. Customers have the option of choosing the services that fit their needs.

2. Proposed 1% Increase to Prepared Meals Tax. Mr. Harold Shelton, Ms. Carol Lindstrom, Ms. Lisa Gardner, and Mr. Rocco Capozzi each voiced their opposition to the proposed one-percent meals tax increase, believing this will create financial difficulties for some, and believing that further cuts can be made to the budget to reduce the deficit, and that a tax increase should be a last resort effort. In considering the budget, Mr. Roger Woody suggested Council review the bus service to determine its feasibility. He also urged Council to consider the Town of Christiansburg as a whole when making decisions that affect the residents of the Town.

JOINT PUBLIC HEARING

1. A Conditional Use Permit request by Steven W. and Danette G. Poole for property at 150 Stafford Drive (tax parcel 435 – ((A)) – 5A) for a family day home serving six through twelve children in the R-1 Single-Family Residential District. Ms. Danette Poole explained to Council that she began providing childcare in her home two years ago for Christiansburg families. Her home has the necessary facilities to provide safe care for children, including a fenced backyard. Ms. Poole thanked Council for its consideration and offered to answer any questions. Mr. Chuck Sayers spoke in support of Ms. Poole's CUP request stating that Ms. Poole is a neighbor of his and provides a valuable service by caring for his son. Mr. Adam Pickler spoke in favor of Ms. Poole's CUP request stating she provides affordable, exceptional care for his son.

REGULAR MEETING

MAYOR BALLENGEE called the Regular Meeting of Council to order and asked if there were any additions or corrections to the Minutes of June 1, 2010, June 8, 2010, and June 15, 2010. Councilman Showalter requested that the Minutes of June 8, 2010 be amended to reflect that, at Council's request, Mayor Ballengee set further discussion regarding amendments to the budget for the July 20, 2010 Regular Meeting of Council, and the June 15, 2010 be amended to reflect that Council's decision regarding visual facilities in the Council chambers includes provisions for audio. Councilwoman Carter made a motion to approve the minutes with amendments as requested, seconded by Councilman Wade. Council voted on the motion as follows: AYES: Barber, Carter, Showalter, Stipes, Vanhoozier, Wade. NAYS: None.

CITIZEN HEARINGS:

1. Mr. John Neel – Update on the Huckleberry Trail Project. This agenda item was postponed by Mr. Neel and will be presented at the July 20, 2010 Regular Meeting of Council.
2. Citizen's Comments.
 - a. Mrs. Jean Woody thanked Council for the July 4th fireworks show. The celebration was well received and she appreciates the Town's efforts to provide this annual event.
 - b. Ms. Connie Turner of Alleghany Street expressed her disappointment that the Town doesn't display flags in honor of Flag Day and Independence Day. Ms. Turner asked for an update on the Alleghany Street sewer project. Assistant Town Manager Helms reported that funding for the sewer project is included in the 2010-2011 budget.
 - c. Lisa Gardner, Phelgar Street, expressed her support for flag display in Town. She commented on the flag pole located in front of the Police Department memorializing fallen officers. Ms. Gardner suggested the Town adopt the flag in the downtown square, and mentioned her disapproval of a contract with the Town Manager, commenting that action should be taken in September.
 - d. Mr. Wayne Booth stated that every professional he knows in Public Service operates under an employment contract. Mr. Booth said he was previously on Town Council and is remiss for not providing an employment contract, especially for long-term management. These positions deserve a contract for protection, protection that works both ways.
 - e. Terry Carter, Wooden Shoe Court, questioned the timing and length of the proposed contract, suggesting the Town keep any employment contract on par with area town managers.

- f. Mr. Dan Canada commented on his dismay that many who want more flags, more services such as sewer lines, are often those who are opposed to revenue increases through taxation. Taxation and revenue-bearing avenues are necessary to provide the services and various extras sometimes expected by citizens.
- g. Mr. Wes Atkinson said he believes much of the Town's revenue is wasted and that is the source of the current deficit. Mr. Atkinson said an example of this waste is the Christiansburg bus system, which has low ridership.
- h. Ms. Carol Lindstrom of Depot Street said to take into consideration the Town's deficit, the bus system, and tourism before considering a long-term employment contract. She asked that the Town provide for employment as in the past. She further asked Council to wait for citizens to be seated after a Closed Meeting before proceeding with the meeting. Ms. Lindstrom noted that erosion and sediment control regulations have been implemented in Cambria by DCR at her request.
- i. Ms. Debbie Aliff expressed her opposition to Council's comments and actions at the June 15, 2010 meeting, and suggested the Town get rid of the chiefs and have Town crews work on sidewalk improvements instead of contracting the work. She further suggested Council provide a one-year employment contract for the Town Manager.
- j. Mr. Rocco Capozzi commented that Council has tough decisions to make in cutting budget expenses. Mr. Capozzi further said that Council needs to do its job and operate the Town, but it needs to do so without expecting more money from citizens.

DISCUSSIONS BY MAYOR AND COUNCIL MEMBERS:

1. Jet Broadband Franchise Renewal. Councilman Vanhoozier referred to a section in the contract that states the Company will provide service to customers within three years of customer request. Councilman Vanhoozier questioned if this three-year period is "reset" for customers who have been waiting for service, and Councilman Wade asked if it would be more reasonable to place a time frame of one-year. Mr. Ferguson explained that the three-year time frame was chosen because he is not sure of the magnitude of the areas in Christiansburg to which this service is unavailable at this time, and, without this information, the company is not confident it could honor a one-year promise. For existing customers, Shentel will complete installation within thirty days of receiving a request for service, if major construction is needed to complete the installation; otherwise, the customer will receive service within seven days. The company will not restrict itself to the boundaries of the Town. Councilman Stipes asked if it was possible to directly contract with Shentel Cable Company. Town Attorney Guynn advised against this because the Town would be contracting with a company that doesn't own any equipment. The equipment is owned by Jet Broadband until Shentel purchases the facilities the end of July. Attorney Guynn further stated that the Town must consider the contractual agreement between Jet Broadband and Shentel. A franchise agreement with Jet Broadband will become a franchise agreement with Shentel effective July 30. The transfer is only in the form of a Resolution of Support, not an actual transfer, which will occur through contract between Jet Broadband and Shentel. Councilman Barber commented that this will be an improvement by providing more service to more people. Councilwoman Carter questioned the contract duration of fifteen-years. Town Attorney Guynn noted that the duration is dictated by State law. Mr. Ferguson offered to return to Council with a progress report in six-months. Councilman Barber made a motion to approve the Jet Broadband Franchise Renewal, seconded by Councilman Wade. Council voted on the motion as follows: AYE: Barber, Carter, Showalter, Stipes, Vanhoozier, Wade. NAYS: None.
2. Transfer of Franchise Agreement to Shentel Cable Company. Councilman Wade made a motion to adopt the Resolution of Support for the transfer of the franchise agreement from Jet Broadband to Shentel Cable Company. The motion was seconded by Councilman Stipes and Council voted on the motion as follows: AYES: Barber, Carter, Showalter, Stipes, Vanhoozier, Wade. NAYS: None.
3. Proposed 1% Increase in Prepared Meals Tax. Councilman Barber made a motion to approve the proposed one-percent increase to the prepared meals tax, seconded by Councilman Vanhoozier. Councilman Wade, who previously opposed the tax increase, noted that he will support the increase now because the Town is in a situation where Council adopted a budget that isn't supported. Councilman Wade stressed the urgency in immediately beginning to cut costs, suggesting each town department could cut five to ten percent and still operate in an effective manner. Councilwoman Carter acknowledged the fairness of the tax increase, but stated she won't support it because many of the suggested budget cuts were not discussed by Council. Councilman Barber pointed out that the budget was passed with the one-percent meals tax increase factored in; if the increase is not adopted, it will result in a greater draw from reserves. Councilman Barber further noted that this tax gives residents a choice given other alternative taxes, and that there aren't many options for generating revenue. Councilman Stipes commented that this is a fair tax and noted that the Town isn't proposing any other tax increases. Mayor Ballengee

commented that the Town hasn't received an outpouring of concern from restaurant owners over this proposed increase, and he has spoken directly to restaurant owners to get their thoughts. Town Clerk Stipes polled Council on the motion as follows: Barber – Aye; Carter – Nay; Showalter – Nay; Stipes – Aye; Vanhoozier – Aye; Wade - Aye.

4. Councilman Stipes and Councilman Vanhoozier – Street Committee Report:
 - a. Re-striping North Franklin Street at StellarOne. Councilman Stipes provided Council with a sketch prepared by the Town's engineering department depicting the striping changes to be made on North Franklin Street. Councilman Stipes explained that the stop bar location that has been questioned by Council was based on the turning movements of tractor trailer trucks through the intersection of North Franklin and West Main. He is satisfied with the placement and recommends it remain in its current location. Several Council members continued to express concern with right-on-red traffic impeding the traffic flow because of confusion caused by the unusual distance between the stoplight and stop bar. In light of the continued concerns, the Street Committee recommended further monitoring of the situation. If traffic conflicts continue, upgrades can be made to the intersection and surrounding area. The Street Committee requested that Police Chief Sisson keep it informed of traffic conflicts through this area. Councilman Showalter suggested tractor trailer trucks be directed to Depot Street away from Main Street, but Councilman Wade pointed out that many of the problem trucks are coming from Roanoke Street and can not safely be diverted away from Main Street. The Street Committee noted that the intersection situation is the result of the new sidewalk design, and the desire to preserve the historic "Constitution Tree" located in a corner of the intersection. Councilwoman Carter suggested that some of the traffic conflict could be resolved by adjusting the timing of the intersection lights. Town Manager Terpenney agreed to check the light timing for possible improvement.
 - b. Traffic Impact Analysis Requirements for Site Plan Review. Councilman Stipes reported that the Street Committee is considering a recommendation to Council regarding the requirement of a traffic impact analysis for future land development projects as part of the site plan review process. At this time, elements of the VDOT Chapter 527 Traffic Impact Analysis requirements are being considered as part of this recommendation. Council was provided information from Planning Director Randy Wingfield via email regarding VDOT Chapter 527 requirements.
5. Step Increases for New Employees. Town Manager Terpenney explained that all full-time town positions, except his own, fall into pay grades A through F at hiring. Manager Terpenney explained the step increase process, noting it takes close to five years for an employee to progress from step A to step F. The salaries that coincide with the steps are inconsistent for each position and were originated many years ago. Step increases are given based on employment duration, and employees are not given a written evaluation before advancing through the steps. Manager Terpenney commented that most localities have a pay scale system for new employees, noting that Blacksburg uses the broadbanding system. Councilman Vanhoozier expressed his concern that there isn't an appraisal system to be used in evaluating employees before pay increases are given. Town Manager Terpenney commented that supervisors closest to department employees monitor employee situations and trends, and personnel records are properly maintained and can be used to track employment history, should the need arise. Councilman Showalter agreed with Councilman Vanhoozier that an appraisal system should be in place for employees and that pay raises should not be arbitrarily given. Councilman Wade commented that step increases are good incentives for employees, but that employees need to be rated for performance before receiving an increase in pay. Councilman Barber commented that if the Town discontinues step increases, it must provide a higher starting rate for employees; he suggested Council consider extending the length of time it takes to progress through the steps, rather than doing away with this valuable employee incentive. Councilman Showalter remarked that if Town Administration does not cut back on expenditures, and the Town does not increase revenue, the Town will eventually deplete its reserves and be forced to cut jobs. Councilman Showalter suggested that one way to begin reducing or eliminating these expenditures is to limit step increases to employees more deserving as determined by an evaluation system. Councilman Stipes requested that Human Resource Director Clay McCoy provide Council with additional information on various options available to Council pertaining to salary increases, such as broadbanding and salary surveys. Mr. McCoy agreed to gather the information requested, and Council will review and discuss at a future date.
6. Closed Meeting:
 - a. Mayor Ballengee requested a Closed Meeting under Section 2.2-3711 A(1), *Code of Virginia*, for the discussion of personnel matters regarding the employment of the Town Manager. Councilman Barber made a motion to enter into a Closed Meeting, seconded by Councilman Vanhoozier. Councilman Stipes stated that he received information today that indicated to him that a Closed Meeting is the appropriate venue for the discussion at hand, but that he will not support action by Council that will obligate the incoming Council in September with respect to appointment or tenure of any Council appointed positions. Town Clerk Stipes polled Council on the motion as follows: Barber – Aye; Carter – Aye; Showalter – Aye; Stipes – Aye; Vanhoozier – Aye; Wade - Aye.

- b. Councilman Carter made a motion to come out of Closed Meeting and enter into Regular Meeting, seconded by Councilman Barber. Council voted on the motion as follows: AYES: Barber, Carter, Showalter, Stipes, Vanhoozier, Wade. NAYS: None.
- c. Certification. Councilman Barber moved to certify that the Town Council of the Town of Christiansburg, meeting in Closed Meeting, to the best of each member's knowledge, discussed only the matters lawfully exempt from open meeting requirements by Virginia Law and only such matters as are identified in the Resolution to enter into Closed Meeting. Councilwoman Carter seconded the certification and Town Clerk Stipes polled Council as follows: Barber – Aye; Carter – Aye; Showalter – Aye; Stipes – Aye; Vanhoozier – Aye; Wade – Aye.
- d. Council Action on the Matter. Councilman Barber made a motion to ask for the resignation of the Town Manager due to a lack of confidence in his continued employment, and to provide a severance package to be detailed by the Town Attorneys. Councilman Stipes seconded the motion and Town Clerk Stipes polled Council as follows: Barber – Aye; Carter – Aye; Showalter – Aye; Stipes – Aye; Vanhoozier – Aye; Wade – Aye.

TOWN MANAGER REPORTS:

MONTHLY BILLS – On motion by Councilman Wade, seconded by Councilman Barber, Council voted to approve the monthly bills to be paid 10 July, 2010, in the amount of \$2,092,853.91. AYES: Barber, Carter, Showalter, Stipes, Vanhoozier, Wade. NAYS: None.

PUBLIC HEARING REQUEST(S) – Town Manager Terpenney presented the following request(s) and recommended setting the Public Hearing(s) as indicated:

August 3, 2010

- 1. Conditional Use Permit request for a commercial garage in the B-3 General Business District, 1020 Radford St.
- 2. CDBG Consolidated Plan and Annual Action Plan.
- 3. Rezoning request for the southern side of Radford Street, A Agricultural to R-1 Single-Family Residential.

On motion by Councilman Barber, seconded by Councilwoman Carter, Council voted to set the Public Hearing(s) as indicated. Council voted on the motion as follows: AYES: Barber, Carter, Showalter, Stipes, Vanhoozier, Wade. NAYS: None.

TOWN MANAGER TERPENNEY reported that a press release will be issued on July 7, 2010 announcing that the Grand Opening of the Christiansburg Aquatic Center is scheduled for July 18, 2010 at 2:00 P.M. Council members will receive an invitation via U.S.P.S.

ADJOURN:

There being no further business to bring before Council the meeting was adjourned at 10:35 P.M.

Michele M. Stipes, Clerk of Council

Richard G. Ballengee, Mayor