

**MINUTES OF THE REGULAR MEETING OF THE RURAL RETREAT TOWN
COUNCIL HELD IN THE COUNCIL CHAMBERS ON
TUESDAY, JANUARY 13, 2015, 7:00 P.M.**

Council Members Present: Mayor Timothy Litz; Vice-Mayor Dale Yontz; Peggy Hash; James P. "Sean" Viars; Geary Jonas; James Lloyd

Council Members Absent: Jerrell Hall

Administration Present: Michael James, Town Manager; Lori Guynn, Clerk/Treasurer; Scott Mitchell, Police Chief

Administration Absent: None

Others Present: Jerry Hurt; Michael Sobey

DETERMINATION OF A QUORUM

Mayor Litz called the meeting to order and determined a quorum was present.

INVOCATION

The invocation was given by Geary Jonas.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Litz.

APPROVAL OF MINUTES

A motion was made by Councilmember Hash, seconded by Councilmember Lloyd to approve the minutes of the December 9, 2014 regular meeting. There being no discussion, the motion passed by a vote of four (4) for: Hash, Jonas, Lloyd, Viars; zero (0) against; one (1) abstention: Yontz; one (1) absent: Hall.

CITIZEN'S TIME

The citizens present did not wish to address the Council. Mayor Litz thanked them for attending.

CORRESPONDENCE

Town Manager James reported a letter was received from Carrington Place Health and Rehab Center thanking the Council and staff for working with them throughout the duration of their project. The opening for the Rural Retreat facility is unknown at this time.

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Town Manager James reported the Joint IDA has announced that the DHCD has approved the realignment of the Enterprise Zone to include the new areas that were added. Previously Progress Park was the only location in Wythe County included in the Enterprise Zone, he added, but now downtown Wytheville, Rural Retreat's exit 60 and industrial park and the exits around the Fort Chiswell area are included. Town Manager James further explained the incentive package the Council approved will be offered to businesses interested in locating in the two Rural Retreat areas.

POLICE REPORT

Chief Mitchell explained his monthly activity report for December. He pointed out he had one DUI arrest on December 26 in the Food Country parking lot. Chief Mitchell also noted he did not assist the Wythe County Sheriff's Office on any calls during December. He stated he is patrolling East Buck Avenue more since school has resumed. Chief Mitchell explained Wythe County now has a new sheriff and he will be meeting with him next week. A student at Wytheville Community College is currently completing an internship with him through the end of March, Chief Mitchell reported. He further reported he will have the 2014 end of year activity report for review at the next Council meeting.

Vice-Mayor Yontz asked Chief Mitchell if he knew how many tickets had been issued by the State Police within the town. Chief Mitchell responded he did not. Vice-Mayor Yontz asked Chief Mitchell if he would get a copy of the information for review at the next meeting because he is noticing a lot of people being pulled over. Chief Mitchell stated there has been one officer working Parsonage Avenue often.

UNFINISHED BUSINESS

SCADA SYSTEM – Town Manager James referred to a handout and stated a breakdown of the SCADA project costs was included. Additional information includes a preliminary recommendation, Town Manager James explained, though he plans to ask the company to make a return visit within the next week or so to review their system and technology again and to have additional questions answered. He noted the cell phone based system is within budget, we will have the capacity to view the system online and it will provide contact via email and text. Town Manager James stated he will have a formal recommendation at the next Council meeting. Mayor Litz inquired if the wastewater treatment plant was being added. Town Manager James responded no, only the water plant, a water valve on Greever Street, the water tanks and the lift station. Councilmember Viars inquired of Town Manager James if he had spoken to other localities that use this system. Town Manager James replied yes though all are larger localities. Mayor Litz inquired if the system can be expanded upon. Town Manager James responded yes but we are only adding the water system at this time other than the lift station. Councilmember Hash inquired if training was available on the use of the system. Town Manager James responded yes.

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BEACH FEST – Town Manager James explained the Rural Retreat Depot Foundation, Inc. is willing to host the Beach Fest and sponsorships are being secured though no money has been received to date. He stated the deposits for the bands are due before the next Council meeting. Vice-Mayor Yontz explained he has reviewed the plan with Town Manager James and Vickie Sprouse and it is better than the plan that was in place for Heritage Days the year that Confederate Railroad performed. He stated he has contacted sponsors that Mrs. Sprouse asked him to contact and they are interested in sponsoring both Beach Fest and Heritage Days. He further explained he has met with Three Rivers Media and they are interested in participating because they can't participate more in Heritage Days because another radio station can provide more of what is needed for that festival. Town Manager James stated Mrs. Sprouse, Vice-Mayor Yontz and he are working hard to secure sponsorships to cover the full cost of the bands. Vice-Mayor Yontz stated he thinks the band costs will be covered and if the town agrees to pay the deposits and asks for the money back it would be received. Councilmember Lloyd asked if this can be guaranteed. Mayor Litz commented there is no guarantee with anything like this. He then asked Town Manager James what was needed from the Council. Town Manager James stated the Council would need to take into consideration paying the deposit total of \$3,750 to secure the four bands. Councilmember Lloyd inquired if it could be included in the motion that if possible the town could get their money back. Town Manager James replied yes. Vice-Mayor Yontz explained he agrees with Councilmember Lloyd because with the plans for the festival the town shouldn't be involved but an organization was needed to back the deposits. Councilmember Lloyd made a motion that the town pay the deposits on the condition there is an agreement the money will be repaid to the town, if possible. Town Manager James stated since the Rural Retreat Depot Foundation, Inc. is the beneficiary that the Council consider the money for the deposits be a donation to the Foundation. Councilmember Jonas seconded the motion. Councilmember Lloyd stated this is a good thing but if the town decides to do this without an agreement that they get their money back then it will open the door for other organizations to ask for money. Mayor Litz explained the town paid \$2,500 into the Crooked Road and received less back than what they will get out of this and added he agrees with Councilmember Lloyd. Councilmember Lloyd further stated the town can't become a promoter. Vice-Mayor Yontz stated if it weren't for this event benefiting the depot he wouldn't agree to do it because if they make money then it is less that the town will be asked for. He further stated he understands the concerns of the town paying the deposits and getting their money back. Councilmember Hash inquired about where the money would come from to pay for the event if the town was paying for the bands. Vice-Mayor Yontz explained the town is only paying the deposits for the bands but gate admission will be charged at the fairgrounds. Mayor Litz commented gate admission will be easier to charge at the fairgrounds because we can't do it at the Pepper Stage. Councilmember Viars inquired about the logistics of the number of people needed to work the event. Vice-Mayor Yontz explained four businesses have volunteered their employees to work the festival. Town Manager James added all workers will be volunteers. Councilmember Viars then inquired about the gate fee. Town Manager James replied it will be \$20 possibly less depending on the amount of sponsorships received. Jerry Hurt suggested the Council approve paying the \$3,750 with the condition the first \$3,750 profit from the event goes back to town. Councilmember Lloyd revised his motion to state the town will pay the \$3,750 deposits on behalf of the Rural Retreat Depot Foundation, Inc. with the condition the first \$3,750 profit will

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be repaid to the town. Councilmember Jonas seconded the revised motion and there being no further discussion, the motion was approved by a vote of five (5) for: Hash, Jonas, Lloyd, Viars, Yontz; zero (0) against.

NEW BUSINESS

TERM CONTRACT – ENGINEERING SERVICES – Town Manager James referred to a handout containing an outline of the request for proposals (RFP) that was advertised for architectural and engineering services. He explained our term contract expired in December 2014 and after review of the RFP's received it is recommended the term contract be renewed with The Lane Group, Inc., Anderson & Associates, Inc. and Thompson & Litton and a new term contract to be entered into with Pillar Engineering to begin January 14, 2015 for one year and be renewable for an additional four years to end January 14, 2020. Town Manager James stated each firm's rate schedule and certificate of insurance is also attached in the handout. He further stated the term contracts will allow us to proceed with projects without having to go through state procurement on each one to secure architectural and engineering services. Vice-Mayor Yontz made a motion to enter into term contracts with The Lane Group, Inc., Anderson & Associates, Inc., Thompson & Litton and Pillar Engineering to begin January 14, 2015 for one year and the option to renew for an additional four years to end January 14, 2020. There being no discussion, the motion was approved by a vote of four (4) for: Hash, Jonas, Lloyd, Yontz; zero (0) against; one (1) abstention: Viars.

MOTOR VEHICLE DECALS – Clerk/Treasurer Guynn addressed the Council concerning town motor vehicle decals. She explained as the Council is aware Wythe County eliminated their decals last year which has created problems for the town related to revenue. She further stated that regardless of how much we try to notify citizens that we still require decals the citizens aren't buying them because they think they don't have too because Wythe County doesn't require them. Citizens will come in the office and tell us that they aren't going to buy them because they won't be penalized for it she added. Clerk/Treasurer Guynn further explained unless a citizen is stopped for a traffic infraction they won't be ticketed for not having a decal. She stated for 2014 the town's decal revenue decreased almost \$2,000 and she doesn't foresee that it will be any better for 2015 but that it will actually be worse. She further explained she has spoken with other town treasurers that have eliminated their decals and was advised that when their county or neighboring city eliminated decals then they began consistently seeing their revenue decrease. Clerk/Treasurer Guynn stated personally she preferred having vehicle decals because it is a collection tool for personal property taxes because taxes must be paid prior to purchasing a decal however if a citizen doesn't purchase a decal then you don't collect their taxes unless they are caught through the Set Off Debt Program. She asked the Council if they are interested in eliminating the motor vehicle decals beginning with the 2016 year. She stated the decals for 2015 would still be issued and would need to be sold on a pro-rated basis and the fee for the 2016 decal would then be added to the 2015 personal property tax bills in October. An ordinance would be required to repeal the town's motor vehicle decal ordinance which would require a public hearing, she explained. Councilmember Viars inquired on the amount of revenue generated from the sale of decals. Clerk/Treasurer Guynn responded \$21,000 was

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collected for 2014 though revenue is generally around \$22,500 to \$23,000 per year. Councilmember Hash inquired about the amount of tax collected when decals are sold. Clerk/Treasurer Guynn explained citizens will pay both real estate and personal property tax when purchasing decals but this past year many paid their tax but didn't purchase a decal. She further explained decal reminders are mailed to citizens and a delinquent tax notice is included if the tax hasn't been paid. Councilmember Viars inquired about the amount decals are sold for. Clerk/Treasurer Guynn stated motor vehicles and trailers are \$20 each and motorcycles are \$10 each. Mayor Litz asked if the money is earmarked or just part of the general fund. Clerk/Treasurer Guynn replied it is part of the general fund. She explained she has struggled with eliminating the decals because she isn't entirely in favor of it but it is to the point that we are losing revenue and we don't have much of a choice. Town Manager James stated with the revenue decreasing we need to explore an alternative way to collect the revenue which will cause some growing pains for everyone. Councilmember Jonas asked how Wythe County handled the decal charge. Clerk/Treasurer Guynn explained the fee is added to the tax bill for example if a citizen has two vehicles then \$20 per vehicle is added to the bill. Councilmember Viars inquired as to how delinquent taxes are collected from those that don't pay their tax bill. Clerk/Treasurer Guynn explained the town does participate in the Set Off Debt Program through the Virginia Department of Taxation. This program allows claims to be filed against citizens and if the citizen is due a state tax refund the money is withheld from their refund and sent to the town to satisfy their debt. She stated in November the delinquent tax for 2013 and prior years was submitted for the 2015 claim year and a \$20 administration fee is added to the amount due because of the cost related to processing the claims. Councilmember Lloyd commented it may be an honest mistake that citizens haven't bought decals because he didn't realize the town still had them. Mayor Litz asked if this required a decision to be made tonight for the 2015 year. Clerk/Treasurer Guynn explained the 2015 decal need to be ordered and if the Council wishes to eliminate the decals and add the fee to the 2015 tax bills then the 2015 decals should be prorated with an expiration date of December 31. Mayor Litz inquired about the cost of the decals. Clerk/Treasurer Guynn stated the cost is approximately \$1,500. Councilmember Lloyd asked how many decals are ordered. Clerk/Treasurer Guynn replied 1,500 motor vehicle decals and 100 trailer/motorcycle decals because she is cutting out the fire department decals due to less than 10 issued this past year. Town Manager James stated if the Council isn't opposed to the elimination an ordinance can be drafted and a public hearing held at the last meeting in February. The consensus of the Council was to proceed with the elimination of decals.

COMMITTEE REPORTS

HERITAGE DAYS – Vice-Mayor Yontz reported the contracts and deposits have been received by Battle Artist Agency.

FINANCE & APPROPRIATIONS – Clerk/Treasurer Guynn reported the 2013/2014 Fiscal Audit report has been received and will be distributed at the next Council meeting. She has asked Robinson, Farmer, Cox Associates to attend a Council meeting to provide a report to Council about the audit because this hasn't been done for several years. Tentatively they will attend the second meeting of February.

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PUBLIC UTILITIES COMMITTEE – The committee is still awaiting word from the Wythe County Water Committee for a meeting date and time.

TOWN MANAGER’S REPORT

The following items were discussed and/or acted upon:

SIDEWALK IMPROVEMENT PROJECT PHASE 8 & 9 – Anderson & Associates are currently finalizing 90% plans for VDOT to hold a final review prior to our notice to proceed which we expect to receive by early March 2015.

Mayor Litz inquired about the stone walls on East Baumgardner Avenue and asked if they will be replaced. Town Manager James replied it will be the property owner’s choice if they want their wall replaced.

Phase 9 is still on hold for the time being. We have reached out to VDOT again to secure an answer for the delay of this project but none has been available yet.

SOUTH FORK REED CREEK PROJECT – We received notice that final award has been given by DEQ. Anderson & Associates have provided plans, specs and contract documents to the Abingdon DEQ office for review and comment. Lori and I will begin working with VRA in the coming weeks on loan documents. We will also be evaluating the anticipated debt service prior to committal from the Town.

CARRINGTON PLACE AT RURAL RETREAT – Staff has spoken with the project managers from Integrated Construction, Inc. and they are planning to leave the area fairly soon. We have discussed the completion of the work on Chestnut Avenue including new water connections to the houses and the paving of the street, which will remain on their list of responsibilities. Once we receive information on grand opening ceremonies, Council will be notified.

FAMILY DOLLAR – This project is slowly moving forward mainly due to weather. They have poured the concrete for the retaining wall on the back of the property and begun work on the storm water retention area along that drainage ditch.

DOWNTOWN REVITALIZATION – Town and Mount Rogers PDC staff has finalized a budget breakdown for the downtown project. This was a major hurdle prior to our final efforts as we move towards our application process in March. Please see the attached meeting schedule, these are subject to change but hopefully will hold true.

PLANNING COMMISSION – The new and existing planning commission members met last night. We discussed an upcoming conditional use permit request as well as plans to thoroughly review the Zoning Ordinance for clarity and understanding with the new commission members over the next few months.

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EMERGENCY CONTACT – Councilmember Viars inquired about an emergency contact number that can be called if something happens to the water system. Town Manager James responded when the dispatch center is contacted they will call him, Scott Mitchell or Tony Wright.

TREASURER’S REPORT

Clerk/Treasurer Guynn reported the due date for town tax was January 5 and to date real estate collections are at 91.5% and personal property collections are at 93%. Due to the change in personal property taxation in which titled vehicles are now taxed, a total of \$10,500 in revenue has been exonerated as of today.

Councilmember Lloyd stated he hadn’t received a town tax bill. Clerk/Treasurer Guynn explained that she just completed reviewing a report she received from Wythe County that listed all vehicle owners with Rural Retreat addresses and their garaged jurisdictions that were either the towns of Rural Retreat and Wytheville or Wythe County and found around 150 taxpayers that had their vehicles garaged in the wrong jurisdiction including Councilmember Lloyd. Those found will be issued supplemental tax bills upon receiving the appropriate paperwork from the Commissioner of Revenue.

Mayor Litz stated he received a tax bill with a page full of vehicles and when talking to a Board of Supervisor they will tell you that citizens are being taxed on both titled and registered vehicles. He pointed out the County purchased a file from the DMV to obtain the titled vehicles in order to catch farmers with farm use tags on vehicles. Mayor Litz further stated he thinks Wythe County should have to reimburse both towns for the time spent to correct the tax files. He stated this should be considered as an item of discussion for the next Joint Governing Bodies meeting.

The invoices for January 13, 2015 were read and approved.

TALK OF THE TOWN

Councilmember Yontz is to attend the *Talk of the Town* radio program at the WYVE/WXBX radio station on Wednesday morning.

ADJOURNMENT

Prior to adjourning, Town Manager James stated at the next Council meeting Charles McMillian will be recognized for his service on the Planning Commission and Foy Patton for his service on the Joint IDA Board.

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There being no additional business to discuss, the meeting was adjourned upon a motion by Councilmember Viars. The motion was duly seconded and approved.

Mayor

Clerk