

**MINUTES OF THE REGULAR MEETING OF THE RURAL RETREAT TOWN  
COUNCIL HELD IN THE COUNCIL CHAMBERS ON  
TUESDAY, FEBRUARY 24, 2015, 7:00 P.M.**

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

Council Members Absent: None

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

Administration Absent: None

Others Present: Corbin Stone and Scott Wickham – Robinson Farmer Cox Associates; Jerry Hurt; John R. Silva; John W. Silva

**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 Viars, seconded by Vice-Mayor Yontz to approve the minutes of the February 24, 2015 regular meeting. There being no discussion, the motion passed by a vote of six (6) for: Hall, Hash, Jonas, Lloyd, Viars, Yontz; zero (0) against.

**CITIZEN’S TIME**

**PRESENTATION ON FY 2013-2014 FISCAL AUDIT BY ROBINSON FARMER COX ASSOCIATES** – Mayor Litz stated at this time members with Robinson Farmer Cox Associates are going to give the Council an audit presentation. Corbin Stone introduced himself and Scott Wickham and stated they have a handout that they will distribute. He stated from a general overview the Town is in very good financial condition and the books are very well maintained. Mr. Stone explained there were no issues with the audit and they were very pleased with what they saw. Scott Wickham stated Clerk/Treasurer Guynn does a great job keeping the books and the town is in great shape. He began reviewing the presentation handout and explained the town’s revenue has increased by 3% over the past three years which is average and the expenses

## **COUNCIL MEETING MINUTES – FEBRUARY 24, 2015 – PAGE 2**

increased by 3.4%. He noted the town does a good job of managing expenses. Mr. Wickham pointed out the town's fund balance has increased by 12.5% over the past eight years and stated this is really good because some localities are struggling to maintain a fund balance. Mr. Stone stated Rural Retreat is one of a few towns he has seen that have had a growth in the fund balance which is impressive. Mr. Wickham addressed the town's operating reserve and explained this shows the percentage of the expenditures in the fund balance and reiterated Mr. Stone's comment that the town is in great shape regarding the fund balance. The tax assessments and growth since 2007 was reviewed in which a 5% annualized increase has occurred. Mr. Wickham reviewed the town's outstanding debt and noted there was no outstanding debt in the General Fund and there is \$3.2 million debt in the water and wastewater funds due to recent projects. The debt per capita is in line with the area and is lower than the state average though the Auditor of Public Accounts hasn't provided the information for the past two years, Mr. Wickham explained. Mr. Stone explained debt per capita is a means to measure debt in comparison to other towns. Mr. Wickham continued through the handout and reviewed charts comparing revenues, expenditures, investments and fund balance since 2007. The enterprise funds have had a 2% average increase in revenues over the past eight years and are self-sustaining and operating expenses have increased by 2.3%. Mr. Wickham stated not including depreciation which is non-cash accounting expense the increase is close to 1.5%. He explained a form letter to the local government which is required to be sent is included and it lists any problems they encountered while completing the audit work. Mr. Wickham stated they had no problems with the audit and Clerk/Treasurer Guynn does a great job and everything looked great. Mr. Stone reiterated no problems were encountered but they are required to send the letter stating there were no issues. He referred to the Financial Accounting for Governmental Pension Plans: GASB 67 and 68 hand out and explained local governments must record their pension investments in the annual audit. The requirements will go in effect with the FY 2014-2015 audit and this liability will have to be reported which is currently \$178,000 for the town though this is lower than other localities, Mr. Stone stated.

Councilmember Lloyd asked Mr. Stone how Rural Retreat compared to other localities our size. Mr. Stone stated Rural Retreat's liability is pretty low compared to other localities. Mayor Litz asked if there were any questions on the presentation. Councilmember Hall stated this was a nice presentation and the presentation booklet was easy to understand even for those that aren't as accounting oriented. Mr. Stone encouraged the Council to call anytime with questions during the year even if it isn't related to the audit. Mayor Litz thanked Mr. Stone and Mr. Wickham for their time.

**JOINT IDA REPRESENTATIVE** – Town Manager James introduced John R. Silva to the Council and noted he is the town's representative on the Joint Industrial Development Authority Board. Mayor Litz thanked Mr. Silva for attending the meeting for taking part in the town's planning and business.

There being no other citizens to address the Council, Mayor Litz proceeded with the agenda.

## **COUNCIL MEETING MINUTES – FEBRUARY 24, 2015 – PAGE 3**

### **CORRESPONDENCE**

Mayor Litz explained there was a reception held Sunday night for the high school wrestling team that once again brought home the state championship. He stated it was his understanding that they are the only Wythe County team to earn back to back state titles. Mayor Litz noted only one senior will leave the team with all others returning. He stated the event was well attended by approximately 120-130 people and Depot Designs had printed shirts.

### **POLICE REPORT**

Chief Mitchell explained due to the weather traffic enforcement is down thus far for the month. He is working with Town Manager James about the possibility of purchasing a four-wheel drive vehicle so he can continue to work during inclement weather. He noted the current police vehicle doesn't go well if the weather starts to turn bad. Chief Mitchell participated with the fire department and rescue squad in escorting the high school wrestling team into town on Saturday. He is also working to obtain quotes for speed signs in order to apply for grants.

### **UNFINISHED BUSINESS**

**DOWNTOWN REVITALIZATION PROJECT** – Town Manager James distributed a copy of the presentation given at the last public meeting. He thanked Councilmember Jonas for attending the meeting. He noted there were close to ten people in attendance but he would like to have one more public hearing to receive more comments. Town Manager James referred to the last few pages of the handout that outlined the budget with the funding from the CDBG in the amount of \$700,000 and the town's \$150,000 investment to develop the Randy's building, farmer's market, streetscapes and façade work. He noted other funding applications including the Tobacco Commission and the Wythe-Bland Foundation will be made. The CDBG funding must be spent within a two year time frame so this project should be complete by 2018 if all goes well and a 5-6 year timeframe on completing the sidewalks and streetscapes with VDOT funding, Town Manager James explained. He asked that if there are any comments or questions from citizens for them to contact him so he can address their concerns and noted he has received positive feedback and very little negative feedback.

Town Manager James explained he has distributed a resolution for Council to review for consideration at the next meeting. He stated the third paragraph refers to the developing a plan with the Wytheville Redevelopment and Housing Authority and noted the language is required to be in the resolution but Rural Retreat is not pursuing low income housing or related projects.

Mayor Litz stated several people have made good comments to him about the project. He stated Millie Rothrock with the *Wytheville Enterprise* did an outstanding job on the article published in the paper. He noted she has always been kind to Rural Retreat. Councilmember Lloyd explained a person stopped him and commented that the project was a wonderful thing. Councilmember Jonas stated he attended the meeting primarily to find out how the citizens felt

## **COUNCIL MEETING MINUTES – FEBRUARY 24, 2015 – PAGE 4**

about the project and to hear their comments. He stated there were several questions asked and the only negative comment had nothing to do with the project.

Jerry Hurt explained Town Manager James has asked the Rural Retreat Depot Foundation to write a letter of support and the Board agreed to do this at their meeting the previous evening. Mr. Hurt also explained the Foundation is participating in a Kick Starter campaign that will go live at midnight to fund the DVD documentary being organized about the depot and the downtown revitalization.

### **NEW BUSINESS**

**CONSIDERATION OF CONDITIONAL USE PERMIT REQUEST BY KEITH CRIGGER –** Town Manager James explained the Planning Commission held a public hearing at their last meeting and voted to recommend the Town Council approve the request made by Keith Crigger for a conditional use permit. He further explained Mr. Crigger will be doing some body work and will be adding on to his existing building soon. A motion was made by Vice-Mayor Yontz and seconded by Councilmember Hash to approve the request made by Keith Crigger, owner of KC Automotive, for a conditional use permit to allow for the operation of an automobile body shop and repair with inside storage at 123 Chinquapin Avenue which is located within the Commercial (CG) General area. There being no discussion, the motion passed by a vote of six (6) for: Hall, Hash, Jonas, Lloyd, Viars, Yontz; zero (0) against.

**SOUTH FORK REED CREEK SEWER PROJECT –** Town Manager James reported he had a conference call with the Department of Environmental Quality last week and they were pleased with the progress made. A task order from Anderson & Associates, Inc. must be approved to develop the contract proposal and bid documents and to approve the cost for an inspector that will be onsite during the project. Town Manager James asked for approval of this document and noted the funding is included in the DEQ loan application and will come back to the town when the project is funded by VRA. Vice-Mayor Yontz made a motion to authorize Town Manager James to sign the necessary documentation to proceed with the South Fork Reed Creek Sewer Project. The motion was seconded by Councilmember Jonas. Councilmember Viars inquired about previous inspector issues with the sidewalk project with Anderson & Associates and asked if the town's concerns had been communicated clearly. Town Manager James stated there was an issue and it has been resolved. There being no further discussion the motion passed by a vote of six (6) for: Hall, Hash, Jonas, Lloyd, Viars, Yontz; zero (0) against.

### **COMMITTEE REPORTS**

**HERITAGE DAYS –** Vice-Mayor Yontz reported work is continuing on opening acts. The same inflatable company will be used again but the exact units that will be set up need to be determined. Town Manager James explained he had spoken to Troy Harris with Dr. Pepper and they are interested in getting more involved with Heritage Days and Rural Retreat again. Vice-Mayor Yontz stated Shentel is maintaining their level of sponsorship for possibly the next five to seven years.

## **COUNCIL MEETING MINUTES – FEBRUARY 24, 2015 – PAGE 5**

**FINANCE & APPROPRIATIONS** – Town Manager James reported the six month reports are complete and he and Clerk/Treasurer Guynn will be reviewing the past budget year to determine how accurate the revenue and expense predictions are to be used as a base line for the upcoming year. He noted expenses will largely stay the same though a few proposed capital expenses are coming up. Town Manager James explained last year’s budget will be reviewed at the March 10 Finance Committee meeting along with preliminary ideas.

**PUBLIC UTILITIES COMMITTEE** – Chairman Hall reported he and Councilmember Viars met with the Wythe County Water Committee recently. He explained they aren’t disinterested in partnering on projects but indicated it would be three years before they could do so. Councilmember Viars stated the County has a significant investment in the eastern end of the County right now but he felt the meeting went well. Mayor Litz thanked the Committee for taking the time to meet with the Water Committee. Chairman Hall stated a key point for them is buying water from Rural Retreat would be cheaper than them pumping it here. Councilmember Viars commented this helps to keep the lines of communication open. Mayor Litz agreed. Councilmember Hall stated the County can’t argue with the quality of the town’s water.

**OTHER** – Mayor Litz stated he had a report from an ad-hoc committee and asked Councilmember Hash to report on work that she has been doing. Councilmember Hash stated she had spoken to Frieda Greiner about Dr. Greiner’s belongings and Mrs. Greiner told her that all items had been donated to the Boyd Museum in Wytheville. Mrs. Greiner contacted other family members and they have agreed to get the items back from the Boyd Museum and donate them to Rural Retreat, Councilmember Hash explained. She further explained they are to contact her when this takes place so she can get the items but she will need a place to store them. The councilmembers shared memories of Dr. Greiner. Mayor Litz asked Councilmembers Lloyd and Hash to work together to be the town’s historians. Councilmember Hash stated a museum needs to be opened in Rural Retreat to keep historical items in so people can see Rural Retreat’s history. Mayor Litz stated Porter Sage should also be contacted because he has a lot of history on video recording. Discussion ensued on various items that citizens have that they would be willing to place in a museum. Councilmember Hash stated she plans to speak with Mrs. Hall about the items in the Historical Society building because there were a lot things donated to them to ask if the town can get some of those items because she isn’t sure what their intentions are with the items. Town Manager James stated he had spoken to Mrs. Hall and she is open to participating. Councilmember Hash explained how she started the Historical Society and the requirements she had to meet.

### **TOWN MANAGER’S REPORT**

The following items were discussed and/or acted upon:

**SIDEWALK IMPROVEMENT PROJECT PHASE 8 & 9** – We are still waiting to hear back from VDOT on the above referenced phases. Contact has been continuously made and no response as of yet. Phase 8 should be approved this month.

## **COUNCIL MEETING MINUTES – FEBRUARY 24, 2015 – PAGE 6**

**SOUTH FORK REED CREEK PROJECT** – Our conference call with DEQ last week went well. They are pleased with our progress and we provided additional information on past A&E procurement processes and anticipate their final review being received to our office within the next two weeks. Once that is received we will begin loan discussions with the Virginia Resources Authority.

**SCADA TELEMETRY SYSTEM** – Wayne Littleton, Project Manager with ClearWater notified the Town that they are behind schedule due to the weather. We most likely will begin installation the week of March 9<sup>th</sup> dependent on weather.

**DOWNTOWN REVITALIZATION** – Staff is working with the Mount Rogers PDC on completing our application for CDBG. With that application will be a resolution that Council will be asked to vote on prior to our final submittal. Please see the attached draft resolution for your review and comment.

**VDOT ROAD ADDITIONS** – Our staff contact with VDOT has been working nights due to the inclement weather and our meeting has been pushed back until he is back on a normal work schedule.

**BUDGET FY 2015-2016 PREPARATION** – Our first Finance Committee meeting will be held on March 10<sup>th</sup> at 6 p.m. prior to our next Council meeting. Staff will have had the opportunity to review our 6 month financial report for FY 14-15 and an agenda with discussion items will be provided.

**NORFOLK SOUTHERN** – Town Manager James reported Norfolk Southern has quoted \$4,500 annual lease estimate for the land behind the Randy's building. He stated he will negotiate the quoted price.

**BOARD OF ZONING APPEALS** – Town Manager James stated he and Clerk/Treasurer Guynn are working on the appointments to the Board of Zoning Appeals. All current members except one are interested in being replaced. Recommendations will be brought back to the Council for consideration. Appointees must be approved by the court.

### **TREASURER'S REPORT**

The invoices for February 24, 2015 were read and approved.

### **TALK OF THE TOWN**

No one was available to attend the *Talk of the Town* radio program at the WYVE/WXBX radio station on Wednesday morning.

**COUNCIL MEETING MINUTES – FEBRUARY 24, 2015 – PAGE 7**

**ADJOURNMENT**

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

---

Mayor

---

Clerk