

UNAPPROVED MINUTES
COUNCIL MEETING
November 28, 2011

A regular meeting of the Council of the City of Salem, Virginia, was held in Council Chambers, City Hall, 114 North Broad Street, on November 28, 2011, at 7:30 p.m., there being present all the members of said Council, to wit: Byron Randolph Foley, John C. Givens, Jane W. Johnson, William D. Jones, and Lisa D. Garst; with Byron Randolph Foley, Mayor, presiding; together with Kevin S. Boggess, City Manager; James E. Taliaferro, II, Assistant City Manager and Clerk of Council; Frank P. Turk, Director of Finance; Melinda J. Payne, Director of Planning and Economic Development; Charles E. Van Allman, Jr., City Engineer; Mike Stevens, Communications Director; and Stephen M. Yost, City Attorney, and the following business was transacted:

It was noted that Salem High School students in Mr. Turk's and Mrs. LaRocco's classes were present at the meeting.

The November 14, 2011, work session and regular meeting minutes were approved as written.

Mayor Foley reported that this date and time had been set to hold a public hearing and receive views of citizens and candidates regarding the appointment to fill the expiring term of David Preston; notice of such hearing was published in the November 17, 2011, issue of The Roanoke Times, a newspaper having general circulation in the City of Salem; and

WHEREAS, David Preston, 1511 Ashley Drive, appeared before the Council to seek reappointment to the Salem School Board; he stated that it is a challenge to find time to serve in the position but feels that with children's education at stake, it is well worth the effort; he stated that he also has a vested interest since his son attends Andrew Lewis Middle School; he further stated that the cost to educate a child in the City of Salem is eight percent less than the state average, which is a fact he is proud of; he stated that the School Board continues to work through the recession with budget planning and encouragement; he stated that even though there have been challenges with the budget, the children in each classroom continue to be the priority and have received a top-notch education; he stated that the Board believes in a less is more philosophy; he further discussed his responsibilities on the Board and his qualifications for reappointment to the Board; he thanked Council members for their consideration and for the opportunity to serve on the Board; and

ITEM 1 PUBLIC HEARING HELD REGARDING EXPIRING TERM OF DAVID PRESETON ON THE SALEM SCHOOL BOARD
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WHEREAS, Mark Johnson, 1105 Debra Lane, appeared before the Council and stated that he would like to be considered for a position on the School Board in the future; he stated that he supports Mr. Preston and has a great appreciation for the School Board’s leadership as well as City Council’s leadership; he commended the school system’s staff and stated that he feels he would lend valuable experience to the School Board; and

WHEREAS, it was noted only Mr. Preston’s letter requesting to be reappointed was received; no other applications were received; and

WHEREAS, no other person(s) appeared related to the School Board appointment;

THEREUPON, said public hearing was closed.

Mayor Foley requested that Council receive report and consider an ordinance on first reading to amend, revise, and reordain Chapter 82, Article IV, Section 82-102, of the Code of the City of Salem, Virginia, increasing the tax on prepared foods and beverages and dedicating the increase to school capital projects; and

WHEREAS, Vice Mayor Givens, Chair of Council’s Audit-Finance Committee, reported that there have been numerous discussions regarding the replacement of South Salem Elementary School and the financing options; as spring approaches and the issuance of debt to pay for this project, the City is not in a position to setup financing for debt repayment; to that end, you have before you an ordinance on first reading, amending Section 82-102 Tax on Prepared Food and Beverages, commonly referred to as the “meals tax”; two changes are proposed to the section—first, increasing the rate of tax from four percent to six percent; second, dedicating the proceeds/revenue from the increase to the School Capital Projects Fund to pay for the South Salem Elementary School Renovation Project; the tax will become effective February 1, 2012; and

WHEREAS, Councilman Jones commended City staff for their efforts regarding this project; he stated that for over two and one half years, different options have been looked at, studied, and discussed; he stated that now is the time to either move forward or not; the decision to move forward only reiterates the motto that children come first in Salem; he stated that he has spoken with several people regarding this increase and no one has a better option than this tax increase; he further stated that this increase would not only impact the residents of Salem, but also people who come into the city; he commended the

ITEM 2
ORDINANCE
PASSED TO AMEND,
REVISE, AND
REORDAIN
CHAPTER 82,
ARTICLE IV, SECTION
82-102, OF THE
CODE OF THE CITY
OF SALEM,
INCREASING THE
TAX ON PREPARED
FOODS AND
BEVERAGES AND
DEDICATING THE
INCREASE TO
SCHOOL CAPITAL
PROJECTS

Director of Finance, the City Manager, Assistant City Manager, and other members of Council for their efforts on working together; and

WHEREAS, Councilwoman Garst thanked the residents of Salem who have spoken with her and other members of Council in support of the increase; she stated that their support is appreciated and only further reinforces the priority that Salem puts on its children; and

WHEREAS, Councilwoman Johnson echoed Councilwoman Garst’s comments; she thanked the citizens of Salem for supporting the increase and thanked everyone for believing in the schools; and

WHEREAS, Vice Mayor Givens also thanked City Staff for their work during this process; he stated that no one likes to raise taxes, but the increase is going to support a much-needed project; and

WHEREAS, Mayor Foley also echoed the comments of Council; he stated that it is never easy to raise taxes, but there will be a savings in moving forward with the project now instead of later; he stated that the City cannot rely on the State for funding and must do things to take care of itself;

ON MOTION MADE BY VICE MAYOR GIVENS, SECONDED BY COUNCILMAN JONES, AND DULY CARRIED, an ordinance entitled, “AN ORDINANCE TO AMEND, REVISE, AND REORDAIN CHAPTER 82, ARTICLE IV, SECTION 82-102, OF THE CODE OF THE CITY OF SALEM, VIRGINIA, PERTAINING TO TAX ON PREPARED FOODS AND BEVERAGES,” was hereby passed – the roll call vote: Lisa D. Garst – aye, William D. Jones – aye, Jane W. Johnson – aye, John C. Givens – aye, and Byron Randolph Foley – aye.

Mayor Foley requested that Council consider adopting Resolution 1189 regarding Council’s concerns of specific items that may come before the 2012 session of the Virginia General Assembly; and

WHEREAS, the City Manager stated that an item of great concern to the City of Salem is the proposed legislation regarding eminent domain; he stated that the proposed change would come with a host of unintended consequences (i.e. during an event like Olde Salem Days where some streets are closed, a business owner whose property is located on one of the closed streets could seek damages from the City using the proposed change to the eminent domain law); he stated that if the change passes, it could change the way community events are held; he also reviewed some of the other items on the resolution;

ITEM 3
RESOLUTION 1189
ADOPTED
REGARDING
COUNCIL’S
CONCERNS OF
SPECIFIC ITEMS
THAT MAY COME
BEFORE THE 2012
SESSION OF THE
VIRGINIA GENERAL
ASSEMBLY

ON MOTION MADE BY VICE MAYOR GIVENS, SECONDED BY COUNCILWOMAN JOHNSON, AND DULY CARRIED, Resolution 1189 regarding Council’s concerns of specific items that may come before the 2012 session of the Virginia General Assembly was hereby adopted:

(HERE SET OUT RESOLUTION)

– the roll call vote: Lisa D. Garst – aye, William D. Jones – aye, Jane W. Johnson – aye, John C. Givens – aye, and Byron Randolph Foley – aye.

ITEM 4
RESOLUTION 1190
ADOPTED
AUTHORIZING THE
CITY TO REFUND
2003A BONDS

Mayor Foley requested that Council consider adopting Resolution 1190 authorizing the City to refund 2003A Bonds; and

WHEREAS, Vice Mayor Givens, Chair of Council’s Audit-Finance Committee, reported that the RFP was issued on November 17, 2011, and on November 22, 2011, six proposals were received; Morgan Keegan and Company reviewed these proposals and recommended the low bid of StellarOne at a fixed rate of 2.14 percent; current rates on bonds to be refunded range from 4.00 to 4.50 percent and reflect significant interest savings; present value cash flow savings will be \$825,340 and actual debt service savings will be \$764,582; the Committee reviewed the 2003A Bond Refunding proposal and concurs with Morgan Keegan and Company to accept the low bid of StellarOne at a fixed rate of 2.14 percent;

ON MOTION MADE BY VICE MAYOR GIVENS, SECONDED BY COUNCILMAN JONES, AND DULY CARRIED, Resolution 1190 authorizing the City to refund 2003A Bonds is hereby adopted:

(HERE SET OUT RESOLUTION)

– the roll call vote: Lisa D. Garst – aye, William D. Jones – aye, Jane W. Johnson – aye, John C. Givens – aye, and Byron Randolph Foley – aye.

ITEM 5
CONTRACT
AWARDED FOR THE
ROANOKE RIVER
GREENWAY PHASE
3A PROJECT

Mayor Foley requested that Council receive report and consider awarding the contract for the Roanoke River Greenway Phase 3A project; and

WHEREAS, Vice Mayor Givens, Chair of Council’s Audit-Finance Committee, reported that as the development of the Roanoke River Greenway continues through the City, an invitation to bid for Phase 3A of the project was

issued; this section will run from the Moyer Complex on the east end to Mill Lane on the west; the Committee reviewed the bids that were received for the Roanoke River Greenway Phase 3A project; the four bids submitted were reviewed by the Director of Finance and the City Engineer; funds for this project are included in a grant received from VDOT for transportation and greenway funding; the Committee recommends the acceptance of the low bid from Burleigh Construction Company, Inc., in the amount of \$491,626.00 and authorizes the property City officials to execute said contract; and

WHEREAS, Councilwoman Garst stated that the low bidder was approximately 30 percent lower than the other bidders and is relatively unknown; and

WHEREAS, the City Engineer stated that some time was spent discussing the matter while reviewing the bids; he stated that the bid was thoroughly reviewed and was consistently lower in prices across the board, but not in any major way; he stated that Burleigh Construction Company was made aware that they could withdraw their bid; however, they chose to keep their bid and move forward with the project; and

WHEREAS, Councilwoman Johnson questioned if Burleigh Construction Company was a local company; and

WHEREAS, the City Engineer stated that the company is based in Lynchburg, Virginia; and

WHEREAS, a discussion was held regarding the bond that would be issued to cover the work, timeline of the project, etc.; and

ON MOTION MADE BY VICE MAYOR GIVENS, SECONDED BY COUNCILWOMAN GARST, AND DULY CARRIED, the contract for Phase 3A of the Roanoke River Greenway project was hereby awarded to Burleigh Construction Company, Inc., in the amount of \$491,626.00 and the proper City officials are hereby authorized to execute said contract – the roll call vote: Lisa D. Garst – aye, William D. Jones – aye, Jane W. Johnson – aye, John C. Givens – aye, and Byron Randolph Foley – aye.

Mayor Foley requested that Council receive the Abstract of Votes cast at the November 8, 2011, General Election;

ON MOTION MADE BY VICE MAYOR GIVENS, SECONDED BY

<p>ITEM 6 ABSTRACT OF VOTES CAST AT THE NOVEMBER 8, 2011, GENERAL ELECTION</p>
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COUNCILMAN JONES, AND DULY CARRIED, said Abstract of Votes was received – roll call vote Lisa D. Garst – aye, William D. Jones – aye, Jane W. Johnson – aye, John C. Givens – aye, and Byron Randolph Foley – aye.

ITEM 7
GILL R. ROSEBERRY
AND NANCY DUFFY
RECOMMENDED
FOR REAPPOINTED
TO BOARD OF
EQUALIZATION OF
REAL ESTATE
ASSESSMENTS

Mayor Foley requested that Council consider appointments to fill vacancies on various boards and commissions;

ON MOTION MADE BY COUNCILWOMAN JOHNSON, SECONDED BY COUNCILWOMAN GARST, AND DULY CARRIED, Gill R. Roseberry and Nancy Duffy are hereby recommended to be reappointed to the Board of Equalization of Real Estate Assessments for three-year terms, said terms will expire November 30, 2014 – the roll call vote: Lisa D. Garst – aye, William D. Jones – aye, Jane W. Johnson – aye, John C. Givens – aye, and Byron Randolph Foley – aye.

ITEM 8
SALEM GOLF
COURSE RENEWED
FOR 2012

Mayor Foley requested that Council consider renewing the lease for the Salem Golf Course for 2012;

ON MOTION MADE BY VICE MAYOR GIVENS, SECONDED BY COUNCILWOMAN JOHNSON, AND DULY CARRIED, the lease for the Salem Golf Course for 2012 was hereby renewed -- the roll call vote: Lisa D. Garst – aye, William D. Jones – aye, Jane W. Johnson – aye, John C. Givens – aye, and Byron Randolph Foley – aye.

ITEM 9
DONATION
APPROVED TO
SALEM BAND
BOOSTERS EQUAL

Mayor Foley requested that Council consider a request for donation (\$4,528.00) equal to the amount of admissions tax paid in connection with the Drum Corps International Summer Music Games;

ON MOTION MADE BY COUNCILMAN JONES, SECONDED BY COUNCILWOMAN GARST, AND DULY CARRIED, a donation of \$4,528.00, equal to the amount of admissions tax paid in connection with the Drum Corps International Summer Music Games was hereby approved – the roll call vote: Lisa D. Garst – aye, William D. Jones – aye, Jane W. Johnson – aye, John C. Givens – aye, and Byron Randolph Foley – aye.

ITEM 10
DECEMBER 26,
2011, MEETING
AND WORK
SESSION CANCELLED

Mayor Foley requested that Council consider eliminating the December 26, 2011, work session and meeting due to the Christmas holiday;

ON MOTION MADE BY VICE MAYOR GIVENS, SECONDED BY

COUNCILWOMAN JOHNSON, AND DULY CARRIED, the December 26, 2011, work session and meeting are hereby eliminated due to the Christmas holiday – the roll call vote: Lisa D. Garst – aye, William D. Jones – aye, Jane W. Johnson – aye, John C. Givens – aye, and Byron Randolph Foley – aye.

Mayor Foley requested that Council consider eliminating the January 9, 2012, work session; and

WHEREAS, it was noted that the VHSL state champions from the 2010-2011 school year will be recognized at the meeting; it is recommended that the work session be cancelled and a reception begin at 7:00 p.m. before the start of the Council meeting at 7:30 p.m.;

ON MOTION MADE BY COUNCILWOMAN GARST, SECONDED BY COUNCILMAN JONES, AND DULY CARRIED, the January 9, 2012, work session was hereby cancelled – the roll call vote: Lisa D. Garst – aye, William D. Jones – aye, Jane W. Johnson – aye, John C. Givens – aye, and Byron Randolph Foley – aye.

There being no further business to come before the Council, the same on motion adjourned at 8:01 p.m.

<p><u>ITEM 11</u> JANUARY 9, 2012, WORKSESSION CANCELLED</p>
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