

**MINUTES  
EMPORIA CITY COUNCIL  
CITY OF EMPORIA MUNICIPAL BUILDING  
February 15, 2011**

*Note to Reader: Although the printed agenda document for this City Council meeting is not part of these minutes, the agenda document provides background information on the items discussed by City Council during the meeting. A copy of the agenda document for this meeting may be obtained by contacting the Office of the City Clerk.*

Emporia City Council held a regular meeting on Tuesday, February 15, 2011, at 7:30 p.m. in the Council Chambers of the Municipal Building, located at 201 South Main Street, Emporia, Virginia. Mayor Samuel W. Adams, III presided over the meeting with Carolyn S. Carey, Council Member offering the invocation.

**ROLL CALL**

The following City Council members were present:

Councilman F. Woodrow Harris  
Councilman James C. Saunders  
Councilman John R. White  
Councilwoman Deborah D. Dixon  
Councilwoman L. Dale Temple  
Councilwoman Carolyn S. Carey

Others present: Samuel W. Adams, III, Mayor  
C. Butler Barrett, City Attorney  
Steve B. Hall, Assistant City Manager  
Brian S. Thrower, City Manger  
Tessie S. Wilkins, City Clerk  
Don Wyatt, Chief of Police  
W. S. Harris, Jr., Treasurer  
Joyce E. Prince, Commissioner of the Revenue

Absent: Councilwoman Doris T. White

**MINUTES APPROVAL**

Councilwoman Temple moved to approve the minutes from the Tuesday, February 1, 2011, City Council meeting minutes as presented, seconded by Councilman John R. White, which passed as follows:

Councilman F. Woodrow Harris	aye
Councilman James C. Saunders	aye
Councilman John R. White	aye
Councilwoman Deborah D. Dixon	aye

Councilwoman L. Dale Temple            aye  
Councilwoman Carolyn S. Carey        aye

## **APPROVAL OF BILLS**

A listing of the February 15, 2011 bills was presented to City Council members.

General Fund	\$ 898,753.87
Utility Fund	\$ 132,427.32

Councilman Saunders moved to approve the February 15, 2011 bills as presented, seconded by Councilman John R. White, which passed as follows:

Councilman F. Woodrow Harris	aye
Councilman James C. Saunders	aye
Councilman John R. White	aye
Councilwoman Deborah D. Dixon	aye
Councilwoman L. Dale Temple	aye
Councilwoman Carolyn S. Carey	aye

## **FINANCIAL AND TAX REPORTS**

Honorable W. S. Harris, Jr., City Treasurer provided City Council members with highlights of the City's financial position. There were no questions concerning his reports.

## **COMMISSIONER OF THE REVENUE REPORT**

Honorable Joyce E. Prince, Commissioner of the Revenue provided her report to City Council members. There were no questions regarding her report.

Mrs. Joyce Prince reported that the Transient tax totaled for the month is \$67,322.66.

## **PERMIT AND INSPECTION REPORT**

Randy C. Pearce, Building/Fire Official provided his report to City Council members. There were no questions concerning his report.

## **POLICE REPORT**

Bernard Richardson, Chief of Police provided his report to City Council members. There were no questions concerning his report.

## **CITY SHERIFF REPORT**

Sam C. Brown, Sheriff provided his report to City Council members. There were no questions concerning his report.

## **CITY ATTORNEY REPORT**

C. Butler Barrett, City Attorney had no matters to report to City Council members.

**AGENDA APPROVAL**

Councilman John R. White moved to approve the amended agenda as presented, seconded by Councilwoman Carey, which passed as follows:

Councilman F. Woodrow Harris	aye
Councilman James C. Saunders	aye
Councilwoman John R. White	aye
Councilwoman Deborah D. Dixon	aye
Councilwoman L. Dale Temple	aye
Councilwoman Carolyn S. Carey	aye

**NEW BUSINESS**

***11-14. Homeland Security Grant (DCJS) – Appropriation Ordinance***

Mr. Thrower stated that the City of Emporia was awarded a State Homeland Security Program Grant by the Virginia Department of Criminal Justice Services. He also stated that this grant consists of \$2,165 and is designated for the purchase of 2<sup>nd</sup> year maintenance of the City license plate reader.

Mr. Thrower stated that these funds are not included in the current year operating budget. He also stated that utilizing this award requires adoption of the ordinance to appropriate funds in the City’s FY11 operating budget. He also stated that the DCJS will reimburse the City’s General Fund Revenue Account for \$2,165.00 once all expenditures are submitted to DCJS for approval. He further reported that no matching funds are required.

He recommended Council to adopt the Ordinance to appropriate the funds.

Councilman J. White made a motion to adopt **Ordinance No. 11-03** to Appropriate the Sum of \$2, 165.00 in DCJS Homeland Security Grant Funds, seconded by Councilwoman Temple, which passed as follows:

Councilman F. Woodrow Harris	aye
Councilman James C. Saunders	aye
Councilwoman John R. White	aye
Councilwoman Deborah D. Dixon	aye
Councilwoman L. Dale Temple	aye
Councilwoman Carolyn S. Carey	aye

***11-15. Presentation by Davenport & Company, LLC – Potential Refinancing of 2006 General Obligation Refunding Bond***

Mr. Thrower stated that David Boyd with Davenport & CO., LLC was in attendance to review refinancing bids received regarding the City’s 2006 General Obligation Refunding Bond. He also stated that at Council January 18, 2011 meeting, Council directed Roland Kooch with Davenport & Co. to seek bids with the goal of achieving interest rate protection over the next 10 to 15 years.

Mr. David Boyd provided City Council members with a presentation and hard copies of the Potential Refinancing 2006 General Obligation Refunding Bond. His report included, but was not limited to the following information:

#### Background

- On January 18, 2011, Davenport presented a potential refinancing for the City's outstanding 2006 Bonds via a "Riskless Strategy" in order to "lock in" the rate at or below the four percent level for more than five years.
  - The goal of which was to "lock-in" a period of interest rate protection longer than the upcoming five year reset to occur this May.
  - Only incur transaction costs if a refinancing were to occur
- On January 20, 2011, Davenport distributed a Request for financing to ten banking institutions.

Bank of America  
Bank of Hampton Roads  
Bank of Southside Virginia  
Branch Banking and Trust Company  
Carter Bank & Trust  
First Citizens Bank & Trust  
First Community Bank  
RBC Centura Bank  
SunTrust Bank  
Wells Fargo

- Although early indications of interest from at least three banks were strong, only SunTrust Bank provided a refinancing response. Carter Bank proposed to keep the structure as is and have the rate reset since it is projected to be closer to two percent versus three percent as of the current market.

#### Terms and Conditions as Provided by Sun Trust

- Tax-Exempt, Bank Qualified
- Twenty Year Final Maturity – the debt would be shortened and result in a higher debt service.
- Ten Year put feature – the Bank would have the option to renegotiate the rate or put the Bond back to the City.
- Call Feature – Anytime at par.
- Fixed Rate – Guaranteed at 3.66 % for ten years.
- Projected Amount borrowed in order to refinance the 2006 Bond - \$7,240,000.

#### Reset vs Refinancing

- Below Davenport & Company LLC have shown the impact of the rest at 2% for five years as compared to the SunTrust refinancing proposal at 3.66% for ten years.

	<u>Carter Bank</u>		<u>SunTrust</u>
Estimated Debt	7,059,000		7,240,000
Interest Rate	2.00%		3.66%
Projected Payment	442,000		507,000
Debt Remaining After			
5 Years	5,532,000	(1)	5,755,000
10 Years	4,596,000	(2)	4,510,000
Final Maturity	2034	(2)	2031

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(1) Assumes City keeps the same budgeted payment and directs the excess towards principal reduction.

(2) Assumes interest rate returns back to original four percent level at next reset period in 2016.

#### Key Observations – Reset vs. Refinancing

##### Key Observations – Carter Bank

- The payments under the existing 2006 bond can remain the same – any extra amounts would payoff the debt early.
- After the ten year period approximately \$4,596,000 in debt would remain outstanding.
- Assuming the rate resets in 2016 at the original four percent, then the final maturity is projected to be 2034.
  - Total interest expense would be \$3,193,000.

##### Key Observations – SunTrust

- Refinancing would initially increase debt due to the prepayment penalty.
- The payments would increase by \$65,000.
- After the ten year period approximately \$4,510,000 in debt would remain outstanding.
- Assuming the rate resets in 2021 at four percent
  - Total interest expense would be \$3,158,000.
  - Interest saved over the original Carter Bank Bond (at four percent) would approximate \$35,000.

#### Recommendation

- Allow the reset provision to take effect based on market conditions.
- Revisit the potential for refinancing after more debt is paid down and the maturity is further shortened.

## ***11-16. Health Insurance Consulting Services***

Mr. Thrower stated that at Council, January 18, 2011 meeting per the request from Council Member Saunders, Council directed him to bid out the City's health insurance plan. He also stated that a request for proposal (RFP) for health insurance consulting services was issued and responses were due February 7, 2011 by 4:00 p.m. He further stated that a total of three firms submitted proposals. He stated that those firms include Rosenthal Insurance Consulting, Inc., Scott Benefit Services, and Wilson Clary & Associates, Inc.

Mr. Thrower stated that per RFP guidelines, the proposals were evaluated according to the following criteria:

- Related experience and references of the firm
- Proposed work plan
- Proposed fees and methodology

Mr. Thrower stated that Sheila Cutrell, Finance Director, and himself evaluated the firms according to the criteria previously noted. He also stated that after, evaluating proposals and interviewing firms, City staff recommends procuring Wilson Clary & Associates, should Council choose to move forward. He further stated that the proposed fee by Wilson Clary & Associates to administer the bidding process, evaluate proposals, provide recommendations, and negotiate with our current insurance company is \$0. He stated that this firm will only be paid in the event it helps the City save money, either by negotiating a lower premium through our current insurance carrier or by recommending, and the City choosing, a new lower cost comparable plan with another carrier. He also stated that should Wilson Clary & Associates save the City money, it would be paid a not to exceed percentage of premium saving realized.

Mr. Thrower reported that in terms of the City's current health insurance plan with The Local Choice (TLC), he was pleased to announce that the City had received a proposed renewal calling for a four percent decrease in premium. He also reported that the current year premium is \$678,576. He further reported that the City has until April 1, 2011 to renew the City plan with The Local Choice. He stated that should Council elect to bid out the City's health insurance plan, he would need to send TLC a renewal extension request letter.

Mr. Thrower recommended that if Council wishes to procure a consultant and commence the bidding process, he recommended Council to authorize him to negotiate an annual renewable contract with Wilson Clary & Associates with the concept of paying the firm a not to exceed percentage of premium savings realized each renewal year. He also recommended under this concept, the consultant will only be paid if the City saves money. He further recommended that should Council wish to forego procuring a consultant, that Council authorize him to renew the City's health insurance plan with The Local Choice at the aforementioned four percent decrease in premium so that this figure can be incorporated into the proposed FY12 budget.

Councilman Saunders moved to approve the City Administration to procure a consultant and commence the bidding process, and to negotiate an annual renewable contract with Wilson Clary & Associates with the concept of paying the firm a not to exceed percentage of premium savings realized each renewal year, under this concept, the consultant will only be paid if the City saves money, and to request a renewal extension from The Local Choice (TLC), seconded by Councilman J. White, which passed as follows:

Councilman F. Woodrow Harris	aye
Councilman James C. Saunders	aye
Councilman John R. White	aye
Councilwoman Deborah D. Dixon	aye
Councilwoman L. Dale Temple	aye
Councilwoman Carolyn S. Carey	aye

***11-17. Request by Council Members Carey and J. White – Installation of Crosswalk – Davis Street***

Mr. Hall stated that per the request of City Council Members Carey and J. White, a meeting was held on-site at the Holy City Baptist Church on Wednesday, November 17, 2010. He also stated that City Manager Brian Thrower, Public Works Director Royal Jones, then Police Chief Bernard Richardson, Councilpersons Carey and J. White, Reverend Dupree and himself were present at that meeting.

Mr. Hall stated that the purpose of the site visit was to review a request pertaining to the installation of a crosswalk in an area extending across Davis Street from the church to the parking lot. He also stated that per the request, the crosswalk would assist in pedestrian safety and ultimately in an attempt to limit the number of vehicles speeding during the hours of Wednesday and Sunday services. He further stated that other potential measures discussed included installation of flashing lights, additional signage as well as increased police enforcement.

Mr. Hall stated that Mr. Jones had provided Virginia Department of Transportation (VDOT) regulations and guidelines pertaining to crosswalks and pedestrian accommodation. He also stated that a summary of the major points directly from the VDOT guidelines document is as follows:

- ❖ The purpose of the document is to give more guidance...for determining the best engineering solutions to pedestrian safety concerns particularly with regard to the location of marked crosswalks.
- ❖ A *crosswalk* is generally defined as the portion of roadway designated for pedestrians to use in crossing the street.
- ❖ Marking crosswalks serve two purposes: (1) they tell the pedestrian the best place to cross; and (2) they clarify that a legal crosswalk exists at a particular location.
  - *At non-signalized street crossing locations where an engineering study dictates that the number of motor vehicle lanes, pedestrian exposure, average daily traffic (ADT), posted speed limit, and geometry of the location would make the use of specially designated crosswalks desirable for traffic/pedestrian safety and mobility.*
- ❖ There are both advantages and disadvantages of making crosswalks. Advantages include:
  - Helping pedestrians find their way across complex intersections
  - Designating the shortest path
  - Directing pedestrians to location of best sight distance.
- ❖ Disadvantages include:
  - Possibly creating a “false sense of security” for pedestrians
  - Generating a greater number of pedestrian collisions at uncontrolled locations on multi-lane streets with high traffic volumes
  - Higher maintenance costs

- ❖ As with any installation of traffic control devices, the most essential tool for crosswalk installation is the use of engineering judgments.
- ❖ Crosswalks should be used, in general, only at locations where pedestrian activity is significant.
- ❖ **An engineering study should be performed before crosswalk markings are installed at uncontrolled locations.**

### **Basic Justification for Marking Crosswalk**

- ❖ Crossing should be marked where all of the following are the case:
  - Sufficient demand exists to justify the installation of a crosswalk. Uncontrolled crossings should be identified as a candidate for marking if there is a demonstrated need for a marked crosswalk. Need can be demonstrated by either of the following:
    - The crosswalk would serve twenty pedestrians per hour during the peak hour, fifteen elderly and/or children per hour, or sixty pedestrians total for the highest consecutive four-hour period; or
    - The crossing is on a direct route to or from a pedestrian generator, such as a school, library, hospital, senior center, shopping center, park, employment center, and transit center or service.
    - The location is 300 feet or more from another crossing location or a controlled crossing location.
    - The location has sufficient sight distance (sight distance in feet should be greater than ten times the speed limit) and/or sight distance will be improved prior to crosswalk marking.
    - Safety considerations do not preclude a crosswalk.

Mr. Hall stated that in coordination with Mr. Jones and Chief Wyatt, the following recommendations have been offered:

- **Public Works Recommendation:** In the absence of an engineering study and judgment, marked crosswalk installation is not recommended at this time. Moreover, it does not meet the basic justification for marking a crosswalk as previously noted. It is however recommended that other potential traffic calming measures are considered such as increased police presence and lowering the speed limit from 35 mph to 25 mph. In the event these measures are employed and do not work to alleviate the problem, it is recommended an engineering study be performed to determine the justification and design of a marked crosswalk installation.
- **Police Department Recommendation:** The police department has recommended and begun active traffic enforcement and has assigned an officer to monitor the traffic flow during the peak times of services on Wednesday and Sunday. As of January 20, 2011, a total of eight summonses had been issued for speeding. Reverend Dupree has personally contacted Chief Wyatt to thank him for the police department's efforts and inform him this has been working. Chief Wyatt informed Reverend Dupree these efforts would continue.

Mr. Hall stated that the Highway Safety Commission held a meeting today at 6:00 p.m. and its recommendation is to continue the traffic enforcement during the peak times of services on Wednesday and Sunday, and to request an advisory recommendation from

VDOT lowering the speed limit on Davis Street from 35mph to 25mph until the municipal boundary with Greenville County.

Councilman J. White made a motion to continue the traffic enforcement during the peak times of services on Wednesday and Sunday and to request an advisory recommendation from VDOT lowering the speed limit on Davis Street from 35mph to 25mph until the municipal boundary with Greenville County, seconded by Councilman Saunders, which passed as follows:

Councilman F. Woodrow Harris	aye
Councilman James C. Saunders	aye
Councilman John R. White	aye
Councilwoman Deborah D. Dixon	aye
Councilwoman L. Dale Temple	aye
Councilwoman Carolyn S. Carey	aye

***11-18. Farmers Market Advisory Committee – Appointment Requested***

Mr. Hall stated that he received a letter of resignation from Mr. Bill Hodge regarding his participation on the Farmers Market Advisory Board. He also stated that Mr. Bill Howell has volunteered to serve in Mr. Hodge's previous capacity.

Mr. Hall recommended this item for Council consideration.

Councilman Harris made a motion to appoint Mr. Bill Howell to the Farmers Market Advisory Board, seconded by Councilwoman Temple, which passed as follows:

Councilman F. Woodrow Harris	aye
Councilman James C. Saunders	aye
Councilman John R. White	aye
Councilwoman Deborah D. Dixon	aye
Councilwoman L. Dale Temple	aye
Councilwoman Carolyn S. Carey	aye

***11-19. Water Treatment Plant Upgrade Project – Request to Approve Loan Resolutions***

Mr. Thrower stated that the City of Emporia staff is diligently working on the Water Treatment Plant and Distribution System Upgrade Project. He also stated that as required by USDA Rural Development to satisfy the City's Letter of Conditions and eventually close on the City's two loans, Council will need to approve the loan resolutions. He further stated that the two resolutions authorize and provide for the incurrence of indebtedness for the purpose of providing a portion of the cost of acquiring, constructing, enlarging, improving, and/or extending the City's water facility to serve an area lawfully within its jurisdiction to serve. He advised that one resolution authorizes incurring debt in the amount of \$9,000,000. He also advised that the other resolution authorizes incurring debt in the amount of \$1,837,000. He further advised that the FY12 Utility Fund budget will reflect increased water rates to offset this forty year debt payment.

Mr. Thrower recommended that Council approve both loan resolutions in order to move forward on this project.

Councilman Saunders made a motion to approve both loan resolutions, seconded by Councilwoman Temple, which passed as follows:

Councilman F. Woodrow Harris	aye
Councilman James C. Saunders	aye
Councilman John R. White	aye
Councilwoman Deborah D. Dixon	aye
Councilwoman L. Dale Temple	aye
Councilwoman Carolyn S. Carey	aye

***11-20. Industrial Development Authority – Term Expiration (J. Reid Wrenn)***

Mr. Thrower stated that on February 28, 2011 Mr. J. Reid Wrenn’s four year term on the City of Emporia’s Industrial Development Authority Board will expire. He also stated that Mr. Wrenn has indicated that he does wish to be considered for reappointment.

Mr. Thrower recommended this information is provided to City Council for consideration.

Councilwoman Temple moved to reappoint Mr. J. Reid Wrenn’s to serve a four year term on the City of Emporia’s Industrial Development Authority Board, seconded by Councilwoman Carey, which passed as follows:

Councilman F. Woodrow Harris	aye
Councilman James C. Saunders	aye
Councilman John R. White	aye
Councilwoman Deborah D. Dixon	aye
Councilwoman L. Dale Temple	aye
Councilwoman Carolyn S. Carey	aye

***11-21. Save the Barn Committee Request***

Mr. Thrower reported that Morris White and Linda Clements of the Save the Barn Committee have requested to be on tonight’s agenda in order to brief Council on the Committee’s mission and funding request. He also reported that the Committee is requesting \$5,000.00 funding allocation in the FY12 budget.

Mrs. Linda Clements provided City Council members with a presentation and hard copies of the “Save the Barn.”

Mrs. Clements stated that save the barn is a community action group working to save the Greenville Ruritan Club barn for Greenville/Emporia 4-H livestock Shows. She also stated that the barn has been provided for 4-H use for the past twenty years for 4-H livestock shows/sales. She further stated that the livestock barn owned by the Greenville Ruritan Club is in need of repairs and if improvements are not made it may be torn down. She reported that the barn provides an opportunity for city and county youth to showcase their 4-H livestock projects. She also reported that the project gives a hand on experience in raising livestock animals, entrepreneurship, an animal health, sense of responsibility and provide an outlet for youth to increase their knowledge in the field of animal science.

Mrs. Clements stated that there is a prevalent, rich history of livestock shows and competitions for 4-H youth in Greenville/Emporia. She also stated that this unique project is not offered anywhere else in our community and it is imperative that we keep this legacy alive. She further stated that the parents of the 4-H children also reports evidence of personal growth and maturity well beyond their expectations. She reported that since 2007 4-H have had three 4-Her's go on and major in Agriculture related studies.

Mrs. Clements stated that renovations to the Greenville Ruritan Club barn will enable 4-H children to participate in outdoor exercise and activities while working towards showcasing their yearly 4-H project animals. She also stated that the Save the Barn committee has partnered with the Greenville Ruritan Club to provide the needed restorations to the facility to ensure this scarce resource is available for another generation of children in our community.

Mrs. Clements stated that although our community is rural, and agricultural, there is an increasing disconnect between its citizens and agricultural. She also stated that in addition, student and teacher awareness of modern careers in agriculture is very limited. She further stated that exposure to new technology and relevant careers at an early age encourage youth to consider agriculture as a viable option for their college education and eventual employment.

Mrs. Clements reported that as the Save the Barn committee embark upon budget season the Save the Barn do understand the tough economic times our society is faced with, however we appreciate Council efforts in keeping our youth top priority.

Mayor Adams stated that the request from the Save the Barn Committee will be consider doing the budget process.

## **PUBLIC COMMENT**

With there being no matters to come before City Council members, Mayor Adams entertained a motion to enter into Closed Session.

**\*\*\*CLOSED SESSION\*\*\***

Councilman Saunders moved that Closed Session be entered for the purpose of discussing Virginia Code Sections **2.2-3711 (A) (3) Discussion concerning the disposition of publicly held real property, and (A) (5) Discussion concerning a prospective business** seconded by Councilwoman Temple, which passed as follows:

Councilman F. Woodrow Harris	aye
Councilwoman Deborah D. Dixon	aye
Councilwoman L. Dale Temple	aye
Councilwoman Carolyn S. Carey	aye
Councilman James C. Saunders	aye

**\*\*\*Regular Session\*\*\***

Councilman Saunders moved that the meeting be returned to Regular Session. Councilwoman Temple seconded the motion, which passed as follows:

Councilman F. Woodrow Harris	aye
Councilman James C. Saunders	aye
Councilwoman Carolyn S. Carey	aye
Councilman Deborah D. Dixon	aye
Councilwoman L. Dale Temple	aye

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**CERTIFICATION**

Councilman Saunders moved to certify the following:

1. only public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act were discussed in the Closed Session to which this certification applies, and
2. only such public business matter as were identified in the motion by which the Closed Session was convened were heard, discussed, or considered by City Council.

Councilwoman Temple seconded the motion, which passed as follows:

Councilman F. Woodrow Harris	aye
Councilman James C. Saunders	aye
Councilwoman Carolyn S. Carey	aye
Councilwoman Deborah D. Dixon	aye
Councilwoman L. Dale Temple	aye

**ADJOURNMENT**

With no further business to come before City Council, Mayor Adams adjourned the meeting.

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Samuel W. Adams, III, Mayor

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Tessie S. Wilkins, City Clerk