

PUBLIC HEARING

1. Water Treatment Plant Upgrade – Request to Submit Funding Application and Approve Contracts with Dewberry and Siemens

Emporia's City Council held a public hearing on Tuesday, March 16, 2010, at 7:30 p.m. in the Council Chambers of the Municipal Building, located at 201 South Main Street, Emporia, Virginia. Mayor Adams presided over the public hearing.

The following City Council members were present:

Councilman F. Woodrow Harris
Councilman James C. Saunders
Councilwoman Doris T. White
Councilwoman Carolyn S. Carey
Councilman Edward V. Lankford, IV
Councilwoman L. Dale Temple

Others present:

Samuel W. Adams, III, Mayor
C. Butler Barrett, City Attorney
Steven B. Hall, Assistant City Manager
Brian S. Thrower, City Manger
Lori R. Jarratt, Interim City Clerk

Absent: Councilman John R. White

1. Water Treatment Plant Upgrade – Request to Submit Funding Application and Approve Contracts with Dewberry and Siemens

Mr. Thrower stated that Dewberry and Davis has prepared a preliminary engineering report pertaining to the upgrade of the water treatment plant (including intake structure) and water distribution system. He also stated that the City's water treatment plant was built in 1954 and is in dire need of substantial upgrades in order to meet current water industry standards. He further stated that improvements to the water distribution system will serve to provide sufficient water service and pressure for the City's residents. He provided a detailed list of proposed water treatment plant and distribution system improvements which is as follows. He advised that the estimated total project cost for all proposed improvements is \$11,864,000.

Proposed 4.0 MGD Water Treatment Plant upgrade/modification components:

- Extend the original intake pipe into a deeper area in the reservoir and install new intake structure,
- Three (3) new raw water pumps each rated at 1400 gpm,
- New influent water line through the proposed building expansion including new water meter and in-line static mixer,

- Dedicated chemical feed areas provided in the building expansion. Each chemical feed area will have appropriate ventilation, lighting, and controls. The existing bulk caustic tank will be relocated to make room for the building expansion. The chemical feed systems to be provided include:
 - (2) hopper type lime feeders
 - (2) hopper type powdered activated carbon feeders (PAC)
 - 2 liquid alum feed pumps
 - 2 liquid caustic feed pumps & 1 spare
 - Potassium permanganate dry solution feeder
 - (2) chemical feed pumps for liquid corrosion inhibitor feed
 - (2) fluosilicic acid feed pumps or saturator
 - (2) Sodium Hypochlorite (Re-OX) feed pumps, (1) spare
 - chlorine dioxide gas feed system,
 - Two (2) lamella plate packs (one for each existing sedimentation tank),
 - Complete submerged membrane filtration system including automated controls, backwash pumps, clean-in-place chemical system, etc.,
 - Upgraded SCADA system including the integration of new instruments,
 - Electrical service converted to 3 phase power and retrofit and reconditioning of the existing generator to make compatible with the new service,
 - Building improvements, including:
 - Existing Operations Building and Laboratory expansion and improvements, and
 - New Membrane Filter Building.

Improvements identified for the existing distribution system include the replacement and/or upsizing of existing infrastructure to provide adequate and reliable service and pressure, as well as improved operation and water accountability. A summary of distribution system improvements is provided below:

Proposed Distribution System Improvements:

- Replacement of the 1910 and 1925 8-inch waterlines which run under I-95 with one (1) 12-inch waterline.
- New fastening and/or structural support for the 12-inch line installed across the dam
- Upsizing of existing 4-inch waterlines on several streets to 6-inch and/or 8-inch waterlines to ensure adequate pressure for fire protection and water consumption.
- Replacement of the two (2) altitude valves at two of the tank sites.
- Replacement of existing telemetry and controls with radio telemetry and controls
- Replacement of approximately 700 of the City's existing meters.

Cost analyses, including projected capital costs and annual operation and maintenance costs, for the necessary improvements to upgrade/modify the 4.0 MGD plant and distribution system are detailed in this report. The estimated total project cost is \$11,864,000. This estimate includes 10% construction contingency as well as related costs (including engineering, inspection, legal, administration, etc.).

He advised that the City of Emporia will be submitting a funding application to USDA Rural Development to finance the improvements. He also advised that the application will be seeking both grant and loan funding. He further advised that in order to be eligible for grant funding under this program, water rates must be 1.5% of monthly median household income at the

time of loan closing. He stated that it is anticipated that loan closing will not occur until sometime next year after the project has been fully designed and bid.

He stated that Dewberry has submitted a proposed base contract in the amount of \$849,640 to provide preliminary design, final design, bidding, construction administration, and post-construction services. He also stated that additional services and fees may be necessary as outlined in the proposal. He further stated that executing a contract with Siemens is necessary in order to commence the required membrane technology pilot study. He advised that Siemens' use fee for the pilot study unit is \$7,500 per month. He also advised that it is anticipated that the study will be conducted no longer than 60 to 90 days. He further advised that both costs are included in the funding application. He stated that at the time of loan closing, the City will be reimbursed for these up front expenses.

He stated that Skip Notte, Project Manager and Bob Boyd, Funding Specialist with Dewberry were present to answer any questions Council may have.

Mayor Adams asked if anyone who wished to make any comments regarding this matter.

With there being no comments, Mayor Adams declared the public hearing closed.

Samuel W. Adams, III, Mayor

Lori R. Jarratt, Interim City Clerk

MINUTES
EMPORIA CITY COUNCIL
CITY OF EMPORIA MUNICIPAL BUILDING
March 16, 2010

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 16, 2010, 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 C. Carey, Council Member offering the invocation.

ROLL CALL

The following City Council members were present:

Councilman F. Woodrow Harris
Councilman James C. Saunders
Councilwoman Doris T. White
Councilwoman Carolyn S. Carey
Councilman Edward V. Lankford, IV
Councilwoman L. Dale Temple

Others present: Samuel W. Adams, III, Mayor
Brian S. Thrower, City Manger
Steven B. Hall, Assistant City Manager
Lori R. Jarratt, Interim City Clerk
W. S. Harris, Jr., Treasurer
Joyce E. Prince, Commissioner of the Revenue
Ken Ryals, Emergency Services Coordinator
Royal Jones, Public Works Director
Sheila Cutrell, Finance Director

Absent: Councilman John R. White ~ *illness*

MINUTES APPROVAL

Councilwoman Temple moved to approve the minutes from the Tuesday, March 2, 2010 public hearing and regular meeting, as presented, seconded by Councilwoman White, which passed as follows:

Councilman F. Woodrow Harris	aye
Councilman James C. Saunders	aye
Councilwoman Doris T. White	aye
Councilwoman Carolyn S. Carey	aye
Councilman Edward V. Lankford, IV	aye

Councilwoman L. Dale Temple aye

APPROVAL OF BILLS

A listing of the March 16, 2010 bills had been presented to City Council members.

General Fund	\$ 831,387.11
Utility Fund	\$ 63,924.30

Councilman Saunders moved to approve payment of the bills presented. Councilman Lankford seconded the motion which passed as follows:

Councilman F. Woodrow Harris	aye
Councilman James C. Saunders	aye
Councilwoman Doris T. White	aye
Councilwoman Carolyn S. Carey	aye
Councilman Edward V. Lankford, IV	aye
Councilwoman L. Dale Temple	aye

FINANCIAL AND TAX REPORT

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

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 the report.

PERMIT AND INSPECTION REPORT

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

POLICE REPORT

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

CITY SHERIFF REPORT

Honorable Sam C. Brown, Sheriff provided is report to City Council members. There were no questions regarding the reports.

CITY ATTORNEY REPORT

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

AGENDA APPROVAL

Councilman Saunders moved to approve the agenda as presented, seconded by Councilwoman Carey, which passed as follows:

Councilman F. Woodrow Harris	aye
Councilman James C. Saunders	aye
Councilwoman Doris T. White	aye
Councilwoman Carolyn S. Carey	aye
Councilman Edward V. Lankford, IV	aye
Councilwoman L. Dale Temple	aye

UNFINISHED BUSINESS

10-23. Water Treatment Plant Upgrade – Request to Submit Funding Application and Approve Contracts with Dewberry and Siemens

Mayor Adams stated that this item was in regards to the public hearing previously held.

Mr. Thrower stated that he recommended City Council authorize submittal of the USDA Rural Development funding application and execution of contracts with Dewberry and Davis, Inc. and Siemens.

Councilman Saunders inquired of Mr. Boyd as to how and to what extent he would grade the City with the ability to collect grant funding through Rural Development. Mr. Boyd advised that it was of his opinion that the City was in a favorable position to receive grant funding from Rural Development because there is still stimulus funds available. He also advised that the grant funding being requested is slightly over \$7.6 million. He further advised that if there were no stimulus funds available, the \$7.6 would be reduced to \$1 million.

He stated that the request for loan funds was \$2.9 million. He also stated that loan funds would be at the current interest rate of 2.5%.

Ms. Saunders inquired if the 2.5% was a fixed rate. Mr. Boyd advised that this was a fixed rate. Mr. Saunders inquired as to what the amortized term would be on the loan. Mr. Boyd advised that the loan would be at a term of 40 years with a repayment schedule of 38 years; the first two years are interest only payments.

Councilman Harris stated that the shock on the community would be the increase in the water rates with regards to the plant upgrade. He also inquired to the time frame that the water rate increase would be implemented.

Mr. Thrower advised that the rate increase would be implemented when the City closed on the loan funding which would be approximately in the spring of 2011. He also advised that with regards to the water rates, the stipulation is that for the first 5,000 gallons of water that are billed, you are required to be at the 1.5% of median household income. He further advised that the increase may be an approximate \$10-\$15 increase per month for a typical household.

Councilman Harris requested that Mr. Thrower calculate the increase in water rates if the City did not receive any grant funding and financed the \$11million through a traditional loan as opposed to an increase in water rates if grant funds are received.

Mayor Adams stated that there would be several efficiencies with the new plant.

Councilman Saunders made a motion to approve the submittal of the funding application and to approve the contracts with Dewberry and Davis, Inc. and Siemens, seconded by Councilwoman Temple which passed as follows:

Councilman F. Woodrow Harris	aye
Councilman James C. Saunders	aye
Councilwoman Doris T. White	aye
Councilwoman Carolyn S. Carey	aye
Councilman Edward V. Lankford, IV	aye
Councilwoman L. Dale Temple	aye

NEW BUSINESS

10-24. Boards and Commissions – Recreation Advisory Commission Term Expiration

Mayor Adams stated that Mr. Lankford, himself, Mr. Rick Franklin and Ms. Doris White had indicated that they wish to be reappointed to the Recreation Advisory Commission.

Councilman Lankford made a motion to appoint all of the individuals to serve a one year term, expiring on April 1, 2011, seconded by Councilman Saunders, which passed as follows:

Councilman F. Woodrow Harris	aye
Councilman James C. Saunders	aye
Councilwoman Doris T. White	aye
Councilwoman Carolyn S. Carey	aye
Councilman Edward V. Lankford, IV	aye
Councilwoman L. Dale Temple	aye

10-25. Boys and Girls Club – Presentation

Ms. Stacy Gray, Executive Director, Boys and Girls Club of Emporia addressed Council stating that there were several Boys and Girls Club members as well as parents that were in attendance to express their appreciation to the club. She also stated that for the 2010 school year, the Boys and Girls club is serving 186 children, with approximately 60 of the 186 are from the City of Emporia.

She stated that Mr. Leon Robinson, Unit Director of the Teen Center, Ms. Marcy Moore, Parent, Sherry Jones, Parent and Ms. Adrian Hancock, Family Council President were present to share their thoughts on the Boys and Girls Club.

Mayor Adams stated that according to the literature provided, 58% of the city members are students at the Elementary School and 23% are from Wyatt Middle School. He inquired as to the percentage of teenagers such as children from the High School attend the Boys and Girls Club.

Ms. Gray stated that currently, the teenage group is from Wyatt Middle School. She also stated that very few children from the High School attend. She further stated that the Boys and Girls Club does not currently have any programs in place that attract high school students. She advised that they would like to be able to provide programs of interest to the high school students who are looking for job study and work study and the club to be open later when they get off from work.

Ms. Marcy Moore, stated that her son has been attending the Boys and Girls Club since September 2009 and has been a positive experience for her son.

Ms. Sherry Jones, stated that she and her family recently relocated here from Charlotte, North Carolina and the Boys and Girls Club is a great resource for her children to be amongst their peers for after school activities and support in the academics.

Mr. Leon Robinson, Unit Director of the Teen Center at the Boys and Girls Club stated that he is a native of Emporia and a product of the Boys and Girls Club. He also stated that his experience at the Boys and Girls Club inspired him to further his education with a Bachelors Degree in Recreation and a Minor in Psychology. He further stated that the he would appreciate Council's future support in order to further the goal and vision of the Boys and Girls Club.

10-26. FY 09 Audit Presentation

Mr. Scott Thompson of Creedle, Jones & Alga provided City Council member with a presentation of the City of Emporia's audited financial statements. He reported that the city complied with generally accepted accounting principles with no evidence of noncompliance with provisions of laws, regulations, contracts, and grants found during the audit. He further reported that the overall cash position of the City of Emporia was \$4,312,617, a \$498,474 increase over last year, primarily due to collections of receivables and increases in accounts payable in governmental activities which delays the use of cash.

He reported that the City of Emporia's position reflected total assets of \$33,114,262 exceeding total liabilities of \$16,444,290 leaving total net assets of \$16,669,972. He also reported that of that amount, \$12,130,751 is invested in capital assets net of related debt. He further reported that those figures also represented a \$612,586 decrease in Net Assets over last year.

Mr. Thompson reported that the City of Emporia's overall debt leverage ratio only modestly increased from 8.45 years to 10.63 years, still below the 12.28 in 2007. He also reported that this represents an overall 10.84 years reduction from the 21.47 years in 2005. He further reported that the city had an overall decrease financially primarily due to increases in expenditures for education and judicial services in addition to declines in some revenue bases

He advised City Council Members that the city continues with its philosophy of retiring debt while continuing to meet its obligations to taxpayers, investors, and creditors. He also advised that most of the items of change were expected as evidenced by the budgets. He stated that a legacy of favorable financing through bonds to take care of projects as they arise at very favorable interest rates continues, which results in future savings to taxpayers. He also stated that the future task for the council is to address the challenges related to continue tightening in short term liquidity while continuing to reduce debt burden over the long term with declining revenue sources from both the local and state level.

Mayor Adams inquired as to the City's total debt as of June 30, 2009. Mr. Thompson advised that the total debt as of June 30, 2009 is \$15,116,222.

PUBLIC COMMENT

Mayor Adams asked if anyone wished to bring a matter before city council members adhering to the three minute time limitation.

Gregory Arrington, Gaston, North Carolina, addressed Council stating that he responded to a call from his mother regarding his brother being in a motorcycle accident. He also stated that while at the scene of the accident, he and Chris Rawlings, Fire Chief exchanged name calling. He further stated that he and Chris had some personal issues from the past and he felt that these issues should have been laid aside while Chris was upholding his duties as a Volunteer Fireman.

With there being no further comments to come before City Council, Mayor Adams closed the public comment portion of the meeting

*****Closed Session*****

Councilman Lankford move that Closed Session be entered for the purpose of discussing Virginia Code §2.2-3711(A) (1) Personnel Matter pertaining to the appointment of City Clerk, (A) (5) Discussion of a prospective business where no previous announcement has been made and (A) (7) Specific Legal matters pertaining to probable litigation requiring the advice of counsel where holding a discussion in the open would adversely affect the negotiating or litigating posture of the council. Councilman Saunders seconded the motion, which passed as follows:

Councilman F. Woodrow Harris	aye
Councilman James C. Saunders	aye
Councilwoman Doris T. White	aye
Councilwoman Carolyn S. Carey	aye
Councilman Edward V. Lankford, IV	aye
Councilwoman L. Dale Temple	aye

*****Regular Session*****

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

Councilman F. Woodrow Harris	aye
Councilman James C. Saunders	aye
Councilwoman Doris T. White	aye
Councilwoman Carolyn S. Carey	aye
Councilman Edward V. Lankford, IV	aye
Councilwoman L. Dale Temple	aye

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.

Councilman Lankford seconded the motion, which passed as follows:

Councilman F. Woodrow Harris	aye
Councilman James C. Saunders	aye
Councilwoman Doris T. White	aye
Councilwoman Carolyn S. Carey	aye
Councilman Edward V. Lankford, IV	aye
Councilwoman L. Dale Temple	aye

ADJOURNMENT

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

Samuel W. Adams, III, Mayor

Lori R. Jarratt, Interim City Clerk