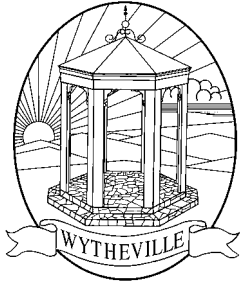


AGENDA
Wytheville Town Council
Monday, May 12, 2003
7:00 P.M.
Wytheville Municipal Building
150 East Monroe Street
Wytheville, Virginia 24382

- A. **CALL TO ORDER**—MAYOR TRENTON G. CREWE, JR.
- B. **ESTABLISHMENT OF QUORUM**—MAYOR TRENTON G. CREWE, JR.
- C. **INVOCATION**—VICE-MAYOR JACQUELINE K. KING
- D. **PLEDGE OF ALLEGIANCE**—COUNCILMAN JOHN W. JONES, JR.
- E. **CONSENT AGENDA**
 - 1. Minutes of the regular meeting and the budget work session of April 28, 2003
- F. **CITIZENS' PERIOD**
- G. **OLD BUSINESS**—TOWN MANAGER C. WAYNE SUTHERLAND, JR.
- H. **COMMITTEE REPORTS**
 - 1. Budget and Finance
 - a. Proposed regulations regarding soliciting on public rights of way
 - b. Budget work session
 - 2. Public Works
 - a. Resolution concerning freight and passenger rail service across Virginia
 - b. Paving schedule completed
- I. **APPOINTMENTS**
 - 1. Appointment of members to the Willow Brook Jackson/Umberger Homestead Museum Advisory Board to fill the expiring terms of Mr. Robert Kegley and Mrs. Jennifer Morin (terms expire 5/29/03)
- J. **ADJOURNMENT**



AGENDA
Wytheville Town Council
Work Session
Monday, May 12, 2003
Immediately Following Regular Council Meeting
Wytheville Municipal Building
150 East Monroe Street
Wytheville, Virginia 24382

A. WORK SESSION

1. Review of proposed budget for fiscal year 2003-2004

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**MINUTES OF THE WORK SESSION OF THE WYTHEVILLE TOWN COUNCIL
HELD IN THE COUNCIL CHAMBERS ON MONDAY, APRIL 28, 2003, AT 8:00 P.M.**

Members present: Trenton G. Crewe, Jr., Jacqueline K. King, John W. Jones, Jr., William B. Weisiger, Charles G. Crockett

Members absent: None

Others present: Town Manager C. Wayne Sutherland, Jr., Assistant Town Manager Stephen A. Moore, Town Treasurer Michael G. Stephens

RE: 2003-04 BUDGET WORK SESSION

Mayor Crewe called the work session to order. He stated the purpose of the meeting is to discuss the revenues in the proposed budget for the Town of Wytheville for fiscal year 2003-04. Mayor Crewe requested Town Manager Sutherland and Town Treasurer Michael Stephens to review the proposed revenues in the proposed budget. There was no action taken in regard to the proposed budget.

RE: ADJOURNMENT

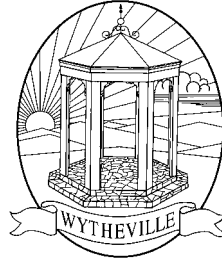
There being no further business, the work session was adjourned (8:30 P.M.).

Trenton G. Crewe, Jr., Mayor

C. Wayne Sutherland, Jr., Town Manager

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WYTHEVILLE TOWN COUNCIL



AGENDA INFORMATION

Meeting Date:	Monday, May 12, 2003
Item Name:	Committee Reports
Item Number:	H-1
Subject:	Budget and Finance Committee Report

SUMMARY:

The Budget and Finance Committee will report on the following matters:

- a. Proposed regulations regarding soliciting on public rights of way
- b. Budget work session

BUDGET AND FINANCE COMMITTEE REPORT

MAY 12, 2003

1. This past week, several persons representing a regional church sought and received permission to solicit funds from motorists who were approaching traffic signals. This type of solicitation is apparently a normal fund raising process for this organization. The solicitations were conducted at the intersection of Main Street, Cassell Road and Withers Road. The persons doing the soliciting wore orange vests to make them more visible and would approach vehicles seeking donations as they were stopped for the red traffic signal. As a result of this solicitation activity, we received several calls inquiring if this was permissible. Currently, the Town has no regulation that deals with solicitation other than regulations on magazine sales and other similar activities. Our Committee discussed this briefly at our last meeting, and thinks it may be worthwhile to investigate the need for new regulations concerning solicitations. We have requested the Virginia Municipal League to provide us with ordinances that may be in place at other locations throughout Virginia. Our primary concern is that solicitations that occur on street rights-of-way may be a safety hazard both to the persons conducting the solicitations and a distraction for the driving motorists. We also want to review carefully the impact any regulation would have on other types of public solicitations that go on during the year. Hopefully, in the next meeting or so, we will have all of the information available for the Council's review.

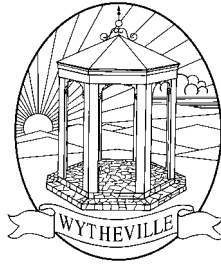
2. Immediately following the regular meeting of Council, the Council will convene to hold its second work session to consider various line items in the budget for fiscal year 2003-2004. At our work session this evening, we will review the various line items comprising the appropriations side of the proposed budget. Generally speaking, the proposed appropriations on the General Fund side will remain relatively constant with the exception of particular capital outlay projects or special projects identified by the department heads. However, on the Water/Sewer side of the appropriations, there are many water and sewer projects that need to be completed in the next fiscal year. Several of these projects are associated with the new Pepsi facility that is being constructed on the east side of town. All of these items will be discussed in more detail at the budget work session, and citizens are invited to attend.

Jacqueline K. King

John W. Jones, Jr.

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Meeting Date:	Monday, May 12, 2003
Item Name:	Committee Reports
Item Number:	H-2
Subject:	Public Works Committee Report

SUMMARY:

The Public Works Committee will report on the following matters:

- a. Resolution concerning freight and passenger rail service across Virginia
- b. Paving schedule completed

PUBLIC WORKS COMMITTEE REPORT

MAY 12, 2003

1. After the last Joint Governing Bodies meeting, we received a letter and a package of information from Mr. Jim Minick who is advocating for certain railroad improvements, which could be of benefit in dealing with the excessive truck traffic on Interstate 81. As you are aware, the Commonwealth Transportation Board is currently reviewing two proposals from independent contractors to perform improvements on the I-81 corridor throughout Virginia. In the solicitation of proposals, the Transportation Board noted that it was desirable for the contractors to offer alternatives for improved rail service in the corridor that would, hopefully, reduce the truck traffic volume issues. Several governing bodies along the I-81 corridor have adopted resolutions encouraging the Transportation Board to require these contractors to incorporate rail services, both freight and passenger, into their ultimate design plans. The Committee discussed this concept and agreed that it could be of great benefit to Virginia for these improved railroad services. As such, our Committee would offer the attached resolution and would recommend that the Council adopt it and send it to the appropriate governmental agencies and boards.
2. The contractor who was awarded the annual paving contract has now completed the work. This year's program consisted of applying 5,027 tons of asphalt to various town streets. The contractor who performed the work was APAC Virginia, Inc., and the total cost of this year's program was approximately \$208,370. A good majority of

the asphalt paving was applied to both lanes in both directions of West Lee Highway from a point near Twentieth Street westward to the corporate limit line. This section of pavement had deteriorated, and, clearly, needed to be overlaid. Also, this week, most of the work needed to repaint our lines on the pavement has been completed. No action is required by the Council, but we did want to report that this work had been performed.

William B. Weisiger

Charles G. Crockett

Resolution



WHEREAS, the I-81 corridor is increasingly the route of choice for trucks traveling between the northeast and the south and southwest because of congestion on I-95 and expanding shipments generated by the North American Free Trade Act; and,

WHEREAS, two multi-national corporations—Halliburton and Fluor corporation—have submitted proposals to the Virginia Department of Transportation (VDOT) to expand the number of lanes and other appurtenances on I-81; and,

WHEREAS, Norfolk-Southern Corporation estimates that seventy percent of truck traffic on I-81 passes through Virginia to destinations south or north; and,

WHEREAS, the minimal rail freight proposals included in the Star Solutions and Fluor Public Private Partnership Act proposals do not adequately address rail freight potential in the whole I-81 corridor; and,

WHEREAS, these same proposals provide no option for passenger rail, although upgrading the corridor's main rail line secures the passenger rail option; and,

WHEREAS, the Commonwealth of Virginia is now planning the future of the I-81 corridor, those decisions containing dramatic impacts for the future of western Virginia; and,

WHEREAS, the Commonwealth of Virginia's decision on this corridor will determine whether I-81 and connecting interstates will become a multi-state "East Coast Truck By-Pass"; and,

WHEREAS, the increased use of rail for the movement of freight up the I-81 corridor will reduce air pollution, dependence on fossil fuels and reduce traffic conflicts with passenger vehicles.

NOW, THEREFORE, BE IT RESOLVED that the Town Council of the Town of Wytheville, Virginia, has previously supported passenger alternatives as evidenced by the adoption of a resolution on September 13, 1999, encouraging the implementation of rail service and pledging its assistance to the Commonwealth of Virginia in implementing said service.

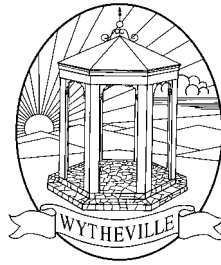
BE IT FURTHER RESOLVED that the Town Council of the Town of Wytheville, Virginia, in the interest of protecting and promoting public health, safety and welfare strongly petitions for the development and promotion of rail freight to further highway expansion construction and in the review of the proposals for improvements to I-81.

Adopted this 12th day of May 2003.

Trenton G. Crewe, Jr., Mayor

ATTEST:

Sharon P. Hackler, CMC, Town Clerk



Meeting Date:	Monday, May 12, 2003
Item Name:	Appointments
Item Number:	I-1
Subject:	Willow Brook Jackson/Umberger Homestead Museum Advisory Board

SUMMARY:

The terms of Mr. Robert Kegley and Mrs. Jennifer Morin to the Willow Brook Jackson/Umberger Homestead Museum Advisory Board will expire May 29, 2003. Both members are eligible for reappointment and have indicated their willingness to serve if reappointed.

**MINUTES OF THE REGULAR MEETING OF THE WYTHEVILLE TOWN COUNCIL
HELD IN THE COUNCIL CHAMBERS ON MONDAY, APRIL 28, 2003, AT 7:00 P.M.**

Members present: Trenton G. Crewe, Jr., Jacqueline K. King, John W. Jones, Jr., William B. Weisiger, Charles G. Crockett

Members absent: None

Others present: Town Manager C. Wayne Sutherland, Jr., Assistant Town Manager Stephen A. Moore, Town Clerk Sharon P. Hackler, Town Attorney Robert P. Kaase, Town Treasurer Michael G. Stephens, Danny Gordon with WYVE/WXBX, Stephanie Porter-Nichols with Wytheville Enterprise, Patrol Sergeant Jim Harrington, Marsha Boone, Ron Boone

RE: CALL TO ORDER, QUORUM, INVOCATION, PLEDGE

Mayor Crewe called the meeting to order and established that a quorum of Council members was present. The invocation was given by Councilman Weisiger followed by the Pledge of Allegiance led by Councilman Crockett.

RE: CONSENT AGENDA

Mayor Crewe presented the consent agenda consisting of the minutes of the regular meeting of April 14, 2003. A motion was made by Vice-Mayor King and seconded by Councilman Weisiger to approve the consent agenda consisting of the minutes of the regular meeting of April 14, 2003. Mayor Crewe inquired if there is any discussion on the motion. There being none, the motion was approved with the following voting in favor and there being no opposition: For: Trenton G. Crewe, Jr., Jacqueline K. King, John W. Jones, Jr., William B. Weisiger, Charles G. Crockett. Against: None.

RE: PUBLIC HEARING – BOND RESOLUTION

Mayor Crewe stated the meeting constituted a public hearing (due notice having been given) to consider a resolution authorizing the issuance and sale of \$14,454,000 general obligation public improvement bonds of the Town of Wytheville, Virginia, and providing for the form, details, and payment thereof, to finance the construction and equipment of a community center. He noted that these bonds would be used for the construction of the proposed community center. Mayor Crewe explained that later in the meeting, the Council will be voting on the resolution, but, the Council could change the resolution, take less money, or decide to not proceed this way, if it is needed. He noted that for the public hearing, there is no one on the sign-up sheets that indicated they wanted to speak on this topic, and noted he is guessing the reason that Mr. Boone is attending the meeting is not regarding the bond issue.

Mayor Crewe inquired if there are persons present who wish to address the Council during the public hearing. There being none, he declared the public hearing closed.

RE: CITIZENS' PERIOD

Mayor Crewe stated the next agenda item is Citizens' Period. He inquired if there are persons present who wish to address Council during Citizens' Period. Mayor Crewe remarked that Mr. Boone has indicated that he would like to address the Council. He interjected that Mr. James Tilson from Mount Rogers was supposed to address the Council, but Mr. Tilson has indicated that he will be unable to attend the meeting. Vice-Mayor King remarked that the Mount Rogers Disability Services Board is the same board that Mr. Carson Frye serves on. Town Manager Sutherland stated that is correct. Vice-Mayor King indicated that Mr. Frye told her that he would like to end his service on the Mount Rogers Disability Services Board. Mayor Crewe advised that the Town needs to take him off of this Board.

Mr. Ron Boone was then recognized and stated that for the record, he is not opposed to the community center. He noted that he feels, however, that adding an increase to the meals and lodging tax would hurt a market that has already been affected by the economy. Mr. Boone advised that raising these taxes to six percent does not sound like a lot of money, but when the 4.5 percent sales state tax is added, it brings the total to 10.5 percent. He explained that for every \$100 in sales, he would collect \$3.50 for the State, \$1.00 for the local government, and \$6.00 for the Town of Wytheville. Mr. Boone remarked that once again, he would request the Council to look for different sources of revenue to fund this project. Mayor Crewe thanked Mr. Boone for his comments and for attending the meeting.

Mayor Crewe inquired if there are others who wish to address Council during Citizens' Period. There being none, he proceeded with the agenda. He advised that if someone arrives later, he will offer him or her the opportunity to address Council.

RE: OLD BUSINESS

Under Old Business, Town Manager Sutherland reported the following:

1. Earlier this evening, the Wall of Honor Committee met and took a motion on a person's name to be added to the Sports Hall of Fame Monument. Vice-Mayor King advised that the recommendation is that Stephen A. Lester II be added to the Sports Hall of Fame Monument. Town Manager Sutherland remarked that if the Council desires to approve this name, Town staff could forward this information to the Wythe County Board of Supervisors for their consideration. A motion was made by Vice-Mayor King and seconded by Councilman Weisiger to approve the name of Stephen A. Lester II being added to the Sports Hall of Fame Monument. Mayor Crewe inquired if there is any discussion on the motion. There being none, the motion was approved with the following voting in favor and there being no opposition: For: Trenton G. Crewe, Jr., Jacqueline K. King, John W. Jones, Jr., William B. Weisiger, Charles G. Crockett. Against: None.
2. Mayor Crewe advised that he has with him correspondence and a letter, if anyone is interested, from the Local 20690 United Auto Workers Veterans Committee inviting the Town Council and anyone else who is interested to attend their Ride For Freedom 2003 Ceremony that is going to be held on May 24 at 8:00 a.m. at the Union Hall across from the Volvo plant in Dublin. He noted to put this in context for the Council, these folks are helping the Town with Run For The Wall on May 21 when the motorcyclists will be in Wytheville. Mayor Crewe advised that this year, they will be presenting two trucks. He noted that as the Council is probably aware, Volvo bought out Mack, and they are producing both lines in Dublin. He explained that the way this works is that the week of Memorial Day, the United Auto Workers have a white truck that comes through, and off the clock on their own time, but not on company time, they apply the decals which United Auto Workers purchase to decorate the vehicle as a tribute to American POWs and MIAs and the military veterans. Mayor Crewe indicated that this year, they will be doing this with two trucks, both a Mack truck and a Volvo truck. He stated that as of now, the United Auto Workers are planning to have these trucks in Wytheville on Wednesday, May 21. Mayor Crewe indicated that the United Auto Workers then have their own service on Saturday morning, May 24, at 8:00 a.m. He advised that they have a flag raising with the VFW, a 21-gun salute, music, guest speakers, etc. Mayor Crewe noted that this year, as they had last year, "TAPS" will be played and "Amazing Grace" will be played on bagpipes. He indicated that they expect to have about 150 motorcycles at the ceremony that will be leaving and going on to Rolling Thunder and Run for the Wall in Washington, D.C. Mayor Crewe stated that the ceremony usually lasts for approximately one hour, and then the motorcyclists will be heading out en masse. He noted if anyone is interested in attending the ceremony, he has all of the literature that was sent to him from the United Auto Workers.

RE: BUDGET AND FINANCE COMMITTEE REPORT

Vice-Mayor King, reporting for the Budget and Finance Committee, stated immediately following the regular meeting of Council, the Council will convene to hold the first of two work sessions to consider various line items in the budget for fiscal year 2003-2004. She noted at the Council's work session later in the evening, they will review the various line items comprising the revenue side of the proposed budget. Vice-Mayor King advised that generally speaking, revenues derived from local sources will remain relatively constant while there are some declines in funding from the Commonwealth. She noted that later in the meeting, the Council will consider, on third reading, an increase to the lodging and meals taxes, and if this increase is approved, there will be additional revenues in these line items. Vice-Mayor King advised that with regard to the water and sewer fund, there are increases that will be attributed to the consumption of water and sewer by the new Pepsi facility. She stated the Council will discuss all of these items in more detail at the budget work session and citizens are invited to attend. A copy of the Budget and Finance Committee report is attached and made part of these minutes.

RE: PUBLIC WORKS COMMITTEE REPORT

Councilman Crockett, reporting for the Public Works Committee, stated that at the last meeting of Council, the Committee reported that they would be participating in a committee meeting to discuss a regional water facility. He noted that they shared with the regional water committee the discussions that were held at the last Council meeting, noting that the Council thought it is

important to continue the investigation on the creation of the regional water system. Councilman Crockett advised that Carroll County representatives were present and noted that the Carroll County Board of Supervisors was strongly in favor of pursuing this regional water system concept. He stated that Project Engineer Elvan Peed was present at the meeting and gave a brief overview of the various components of such a project and explained how construction could be phased over a period of time. Councilman Crockett advised that the committee also discussed, at some length, how this type of regional water system would be governed. He noted that they agreed it may be beneficial to all of the parties to have an attorney involved who could give the committee and the governing bodies guidance. Councilman Crockett stated that Mr. Peed noted that he would make some preliminary inquiries concerning legal fees and other expenses that might be associated with the creation of an authority or other legal mechanism that would govern the regional system. He remarked that Mr. Peed noted that he would have this information available for the committee whose next meeting is scheduled tomorrow afternoon. Councilman Crockett advised that the Public Works Committee will bring the Council subsequent reports on the topics that are discussed at the regional water system committee meeting. A copy of the Public Works Committee report is attached and made part of these minutes.

RE: ORDINANCE NO. 1156 – MEALS AND LODGING TAXES

Mayor Crewe presented Ordinance No. 1156, an ordinance amending and reenacting Chapter 14, Taxation, Article V. Meals Tax, Section 14-79, Levy of Tax and Article VI. Lodging Tax, Section 14-107, Amount of Levy, of the Code of the Town of Wytheville, Virginia, on third and final reading. He noted this ordinance would increase the meals tax from four percent to six percent and would increase the lodging tax from three percent to six percent. Mayor Crewe stated that this ordinance, if adopted, would become effective September 1, 2003, as proposed. A motion was made by Councilman Jones and seconded by Councilman Weisiger to adopt Ordinance No. 1156, an ordinance amending and reenacting Chapter 14, Taxation, Article V. Meals Tax, Section 14-79, Levy of Tax and Article VI. Lodging Tax, Section 14-107, Amount of Levy, of the Code of the Town of Wytheville, Virginia, on third and final reading. Mayor Crewe inquired if there is any discussion on the ordinance. Councilman Weisiger noted that in relation to Mr. Boone's comments, he would like to state a few remarks. He stated the Council has looked everywhere they can for additional funds. Councilman Weisiger noted that he thinks the Budget and Finance Committee would agree to this. He stated the Council feels that they need this increase to be able to afford the community center, along with other fees. Councilman Weisiger noted the other thing he perceived is that people generally have a problem with a tax in general, and not the amount. He stated he did not know if the additional tax would make any difference, and without the additional increase, people would probably still complain about the tax. Councilman Weisiger stated this is the way he interprets it when he talks to people. He noted he wanted to express these comments. Mayor Crewe thanked Councilman Weisiger for his comments.

Councilman Crockett stated he has several items to discuss. He noted he realizes that probably his comments are not going to make any real difference either way on how the vote finally ends up on this particular issue. Councilman Crockett stated he thinks that from his own feelings, it will probably help him to make these comments, and maybe make some of the citizens aware who are not aware of some of these concerns, and noted that maybe they are aware of all of them, but he has a great deal of concern. He noted as the Council is aware, and the media as well, he made a number of comments at the last Council meeting. Councilman Crockett stated that some of those comments, in part, he may inadvertently repeat, but he thinks they are worth noting as well. He indicated that he hopes the Council will bear with him for a few minutes. Councilman Crockett remarked that some of the items are not covered by the loans, and they are items that, as far as a community center is concerned, will be additional costs related to the community center. He noted the first one is the \$1.3 million that will be required for the access road to the community center. Councilman Crockett stated there will be the additional cost of utilities. He remarked that, obviously, the new facility is going to, and noted he cannot recall the exact square footage, carry a heavy price tag as far as utilities are concerned such as water, heating, air conditioning, etc. and these will increase accordingly. He remarked that there will be additional personnel costs. Councilman Crockett advised that, obviously, the facility, and noted the Council has discussed this, will require additional personnel for the Town to hire both to maintain the facility, to clean the facility, and also to manage the people who will be using the facility and assisting them. He stated there will be maintenance costs, particularly with the pool, which are going to be high. Councilman Crockett noted that this maintenance cost may not necessarily be high in the first few years, but a facility of this magnitude is going to require a lot of additional costs for maintenance as the facility is used over a number of years. He inquired if the chairs, etc. are included in the costs. Town Manager Sutherland stated the chairs are not included in the cost and explained that there are certain things in the building that have to be built in, but tables and chairs do not have to be built in. Councilman Crockett advised that

certainly to utilize a convention center of this type, the Town will have additional costs involved. He indicated that none of the figures he mentioned are included in the revenue from the meals and motel tax, which, as he understands, will be used to satisfy debt service only. He indicated that also, at some point, he thinks this will require the Town to take a look at the various user fees that the Council will charge the citizens to use the facility. Councilman Crockett remarked that he does not doubt in his mind that a lot of these various figures will probably have to be increased. He noted that, hopefully, with the convention center, the facility will generate a lot of revenue, but mentioning the items he just did before, certainly, there are going to be some fee increases involved. Councilman Crockett stated he does not know if the town citizens are fully aware of this. He noted one of the fears he has is that as costs or fees increase, the facility does not take on a makeup of being almost a town country club. Councilman Crockett advised that in other words, as the Council increases the fees, he does not want the lower income people to be in a position where they cannot properly utilize the facility. He continued that he thinks it would be a shame to have user fees set up in such a manner that all of the town citizens, because of economic conditions, cannot use the facilities. Councilman Crockett advised that this is a concern. He remarked that as some side issues involved in all of this, when the Council looks at expenditures of this type, and noted the Council will be reviewing the revenue side of the budget later in the meeting, he reviews the report that the Council has. Councilman Crockett indicated that as of April 1, the Town's current General Fund budget is running, compared to last year at this particular time, a deficit of about \$439,246. He stated this does not include the water and sewer part of the budget, but it is the General Fund. Councilman Crockett explained that in other words, the Town has had expenditures, and noted that some of this deals with the maintenance of snow removal and various other things, but it is always a concern of his when the Town begins to run deficits comparing one year to the next that are adverse to the Town's budget, and noted this is a concern. He remarked that also, he discussed this at length and noted he will not discuss it as much, but when he looked at the debt service, Town Manager Sutherland was kind enough to locate the paragraph and the article dealing with local governments and the maximum amount of loans that the Town can have. Councilman Crockett advised that Article VII. Section 10. Debt states the following in the first paragraph, "No city or town shall issue any bonds or other interest bearing obligations which, including existing indebtedness, shall at any time exceed ten percent of the assessed valuation of real estate in the city or town subject to taxation as shown by the last preceding assessment of taxes. In determining the limitation for a city or town, there shall not be included the following classes of indebtedness...." Councilman Crockett noted that the Section goes into several exceptions, etc., and noted that temporarily, the debt can be increased, etc., as he understands from reading all of that, from one to five years or various things. He stated there are certain things dealing with water and sewer revenues that may affect this. Councilman Crockett advised that as he alluded to in the last Council meeting, the Town currently has a debt ceiling of \$36,303,982 based on the maximum figure that the Town could reach, as he understands these figures. He explained that the Town has, as he quoted before, over \$11 million worth of current debt. Councilman Crockett remarked that the projected water treatment facility that the Town is considering on the regional system would cost \$10,459,000. He explained that this figure does not include, as he recalls, about \$400,000 for the connection line to the current County system that the Town would also be required to pay. Councilman Crockett noted that in relation to those figures, even if the Town utilized the current water system and expanded it within the next 25 years, the Town would incur as much, if not more, cost than it would by having a regional water system. He remarked that from that standpoint, the cost relationship is that it is much more advantageous for the Council to go with a regional water system, but there is going to be a major cost involved. Councilman Crockett noted when he looked at adding the debt as he mentioned in the last meeting, the Town's debt ceiling, within the next five or six years, could well reach the \$36 million figure. He stated when the Council considers the debt of \$36 million, to him, this is an astronomical debt. Councilman Crockett advised that when the Council considers the fact that the debt always has debt service involved, and at four percent for 40 years, all of that debt doubles. He stated he thinks some of the debts that the Town currently has are at 4.5 percent and possibly 4.75 percent. Councilman Crockett indicated that in essence, the Council will be paying a debt payoff service of that magnitude of over \$72 million worth of debt. He explained that, obviously, over half of that amount is interest, but the Town still has to repay this regardless of whether it is interest or principal, and it still has to be repaid. Councilman Crockett noted if the Council looks at the fact that there are approximately 8,000 citizens in the town, if the Town reaches that magnitude of debt, then the Council is currently obligating each citizen to over \$9,000 worth of debt. He stated this is a staggering figure. Councilman Crockett advised that the Council looked at other aspects of all of this, and they discussed it briefly. He advised he thinks Mayor Crewe mentioned this, that there had been bills at the State level that might well do away with the meals tax. He noted this may or may not affect the tax at the restaurant level. Councilman Crockett remarked that he did not feel at the restaurant level that it would be eliminated. He noted for the revenue they are discussing generating, if that bill was to take effect and if the meals tax was eliminated, the Town would have a \$1.5 million shortfall in revenue. Councilman Crockett pointed out that this is also a staggering figure. He remarked that as he has stated, he

does not particularly envision that happening, but it could. Councilman Crockett noted the Town has additional projects he thinks need to be done. He indicated that he mentioned Cove Road at the last Council meeting. Councilman Crockett reiterated that he thinks Cove Road needs to be widened and improved regardless of what legal maneuvers it takes. He remarked that also, the Town has traffic control devices that need to be fixed, and noted that one location is at East Main Street at Eleventh Street. Councilman Crockett advised that this location needs to be widened on the southeast side, and this is something that needs to happen before a fatality happens. He commented that East Main Street at Bob Evans is a location where an accident is waiting to happen. Councilman Crockett advised he did not know what it is going to take as far as traffic control devices, but something has got to happen at this location. He continued that he did not have any idea of the cost figures for this location, but every time he goes through this area, he wonders why there has not been a fatality or at least a major accident, but he guesses it is by the grace of God, if for no other reason. Councilman Crockett indicated that in closing, in thinking about some of the comments, he thinks that over the last six or seven years he has been on Council, the Council has done a lot of good things, and there is no question about it. He noted he thinks the Council has added some traffic control devices, widened streets, improved sidewalks, and added curb and guttering, but not as much as he would have liked. Councilman Crockett continued that the Council has also added, with negotiations, the Jackson property, the library building, the shelter at Withers Park beside the pool, and there are a number of other things he could probably mention that he thinks individually the Council has done that the citizens are probably not necessarily aware of such as certain stop signs that the Council has added that have been very beneficial. He noted he thinks the Council has worked with the School System on Spiller Street quite successfully during the construction. Councilman Crockett stated there is a number of the things he thinks the Council can be, and noted that he is extremely proud of what they have done over the years. He indicated that one of the things that bothers him, and noted he mentioned this at the other Council meeting, is if the current community center is sold, the Chautauqua Festival in the Park, as everyone knows it, will end. Councilman Crockett explained that Chautauqua in the Park has the atmosphere of the park, and, certainly, the Town has the facilities there for the vendors and various other things, and it makes for a tremendous, he thinks, asset to the community. He advised he thinks if the current community center was sold, no doubt, the Chautauqua Festival, or at least that aspect of it, would probably be gone, and noted he thinks this would be very bad. He noted that what actually he wonders about sometimes is when the Council looks at what they will leave behind. Councilman Crockett stated he thinks all of the Council members are aware, and noted he alluded to, some of the good things they have left behind, but noted that also, the Council will look at what legacies they will leave. Councilman Crockett stated that, obviously, the Community Center will, no doubt, be built. He advised he also looks at the fact that from 1990 to 2006, particularly if the Council goes with a regional water system, the Town is going to end up with roughly \$36 million worth of debt for that period of time. Councilman Crockett indicated that possibly this is the legacy this Council is going to leave behind, and it is not the legacy of the accomplishments but the legacy of the debts they are leaving behind. He stated many of the members will leave the Council, and possibly some of them at the next election, or maybe four years later. Councilman Crockett noted he does not know anyone's feelings and advised he has not made a decision on whether he will seek reelection or not, but he thinks it does concern him that this Council may well be leaving debt to the next Council, to the next generation, or to the next two or three generations. Councilman Crockett noted he thinks the Council has seen this at the State level, and everyone is seeing it at the national level where there does not seem to be much concern about debt, but it seems to be that everyone at the Federal, and the State level as well, increases the debt, and it does not seem to make much difference. He advised that the State has limits as to what the Town has to do as far as debt service, but, also, the Council cuts back services to the citizens when they reduce certain taxes. Councilman Crockett inquired if this Council's legacy is going to be that they have left behind all of this debt. He noted it makes him really wonder. Councilman Crockett stated that maybe as the Council looks at where the Town and the community are heading, they should begin to look and put together a plan, maybe in various work sessions, and maybe the Council needs to sit down and consider where the town is heading and what they need to do and what priorities the Council needs to have and consider what the priorities are. He advised that, certainly, to him, water is the biggest priority. Councilman Crockett stated that safety of the citizens is a tremendous priority, and it does not do any good to have all kinds of facilities if the town has accidents out there waiting to happen and fatalities are going to take place. He pointed out that some of these can be eliminated. Councilman Crockett noted he realizes there is no way the Council can eliminate some accidents from happening, but there are certain conditions that the Council could do to help avoid accidents. He stated he thinks one condition that was improved was at Chapman Road with a four-way stop sign, and noted he thinks this has been extremely beneficial as far as avoiding accidents. Councilman Crockett noted there are other conditions as well, as noted they do not necessarily require a stoplight, but there are stop signs and various other ways of providing safety to the town citizens. He reiterated that he does have a lot of concerns, and he thinks that maybe the Council needs to sit down and evaluate the various debt that the Town is

incurring and where the town is heading. Councilman Crockett advised that maybe the Council needs to set some priorities and live by them. He indicated that he thinks that sometimes it has been too easy to add debt after debt. Councilman Crockett noted that low interest rates have been involved, and there has been the annexation which, obviously, made the Town incur a lot of debt. He stated the Town has had certain water improvements, etc., and this added debt. Councilman Crockett indicated that the Council has avoided real estate increases in the Town's tax structure, and noted this is something to be proud to point to, but there have been a lot of increases in fees as well. He stated that to have this type of debt that the Town is incurring, he just wonders if this is really what the Council wants to do as far as a legacy is involved. Councilman Crockett remarked that he does not know, but it is a thought that has bothered him for quite awhile that the amount of debt does not seem to have any end to it. He stated this is not to take away from the proposed community center in the least. Councilman Crockett pointed out that he can see all kinds of advantages to a community center, and there is no question that it would provide a lot of things, but it is an expensive proposition when the Council considers that the Town is probably going to incur at least \$11.5 million worth of debt one way or another. He remarked that as he has stated previously, with debt service, this amount converts to about \$23 million, and this is the payback over 40 years. Councilman Crockett stated that in closing, this makes him feel better, but he doubts if it makes any impression as far as how the vote will happen, but he does have these concerns, and he hopes each of the Council members will consider these concerns, and noted he is sure that the Council has considered some of these concerns as well. Mayor Crewe thanked Councilman Crockett for his comments articulating concerns shared by all of the Council members he is sure.

Mayor Crewe inquired if there is any other discussion on the motion. He advised that he would be remiss if he did not echo that he reviewed the petitions that Mr. Boone submitted at the last meeting. He noted that the vast majority of the signatures on the petitions was at least Wythe County citizens, and noted that sometimes they could not tell if they were Town or County residents. Mayor Crewe indicated that there was a page or two of out of state people, but the vast majority of the signatures was from local citizens. He remarked that as far as he is aware, he has not heard anyone opposed to the lodging tax increase portion of the ordinance. Mayor Crewe continued that he has not heard a single voice of opposition to the lodging tax increase and Mr. Boone has articulated the major view of the meals tax increase in the ordinance. He noted that he can assure Mr. Boone that he will personally make an effort to monitor this, and noted that every time the Council has done this, and when they first imposed the meals tax, for example, the Council had people stating it would put them out of business and there would be problems. Mayor Crewe stated he will promise Mr. Boone that he will continue to monitor the situation. He explained that part of the reason for doing this in advance, and, obviously, he is intending to vote in favor of the increase, was to give people advance notice that the Council is going to put the ordinance into effect in September, and it is designed for people who are planning things to try and make sure it is in their bid package, etc. so that the restaurant does not have to lose any revenue and there is time to adopt it. Mayor Crewe stated that over the coming months as the receipts are coming in, and noted he is sure everyone will do this, but he will guarantee Mr. Boone that he will be monitoring this to see if it does have an impact. He pointed out that the Council can always revisit the tax increase, and noted he thinks he can speak for Council, and not to state that they think they are harming businesses, but Council could reevaluate the increase. Mayor Crewe requested everyone to keep in mind that this is only one part of the funding source that the Town has. He indicated that he is sensitive to these arguments, and he thinks that Mr. Boone's arguments are well articulated, but he does not know if they are going to turn out to be true or not. Mayor Crewe reiterated that he will continue to evaluate this matter. He noted that the lodging tax, in his opinion, is generally paid by out of town people. Mayor Crewe stated that occasionally someone will have an overnight guest, and a local citizen would pay the tax, but the meals tax is the one he thinks will have a more direct affect on the local citizens than the lodging tax. He advised that he has been kind of curious that this is the sixth or eighth time, he guesses, that the Council has dropped the hint that they were going to consider raising these taxes, and there has been very little outcry. Mayor Crewe indicated that his position, and noted what he is trying to state, is he would like to increase the taxes and see what happens, but he will continue to evaluate this. He noted if the tax increase is harming businesses, he will take a long look at it. Mayor Crewe inquired if there is any further discussion on the motion.

Councilman Jones advised that he has a few comments. He noted that Councilman Crockett alluded to certain things. Councilman Jones stated that none of the current Council members were serving on Council when the annexation occurred in 1990, which this Council had to deal with because there were certain things in it. He explained that tied into the annexation, of course, would be providing water. Councilman Jones stated he thinks it is also interesting had the Council not doubled the capacity of the water plant from 2 million gallons to 4 million gallons per day, the Town would not have Pepsi constructing their facility in town because the 2 million extra gallons is part of what attracted the Pepsi plant. He noted this is one of the things that

Councilman Crockett was talking about was looking to the future. Councilman Jones stated that the problem is that anything the Council wants to do that deals with the future is going to cause them to have to spend money somewhere, and the Council will either have to pay for it as it goes, which is what he would prefer but the Town cannot quite do this, but if the Council does not participate in the regional water system which Councilman Crockett is referring to, in the future, the Town is going to have problems in this area. Councilman Jones advised that anyone who thinks that water is a source that is going to be there forever had better start reading a lot of articles because it is not going to be there. He stated it is unfortunate because it is a very cheap commodity that people do not conserve very well. Councilman Jones noted that this past summer, people saw what a problem there can be. He remarked that the other thing is the fact that the Council has been working on this for 12 years, and, to him, if the citizens did not really want it, the Council would have heard about it long before this. Councilman Jones advised that he has not had people telling him that they do not want it, but most people he talks with are in favor of the project. He remarked that he thinks everyone knew there was going to be some debt incurred. Councilman Jones stated that the other thing he thinks is ironic is that Councilman Crockett talked about the fact that some fees will probably have to be increased and possibly this may hurt the lower income people. Mr. Jones indicated that what is ironic to him is that if everyone looks at what the General Assembly is doing with respect that they are not willing to raise fees, and they are cutting services across the State, the people who are most affected by these services are the low income people, and the General Assembly does not seem to be concerned about this, but they do not want to raise any taxes. Councilman Jones pointed out that he does not personally like to pay taxes anymore than anyone else, but he recognizes that if people want good roads, water, or other services that are needed, they have to be paid for somehow. He stated he agrees with Mayor Crewe's comment and with Councilman Crockett's comment that certainly one of the things he has worked on is trying not to raise personal property taxes and real estate taxes because it affects a lot of citizens. Councilman Jones indicated that most of what the Council has been considering increasing are user fees. He noted the last point which he thinks is interesting, too, is that the Bristol race is held twice per year. Councilman Jones noted what the motels do every time that week comes is raise the prices, and inquired if this keeps people from staying in the motels. He noted that people stay in the motels no matter how much the price is increased, and advised that they came to the motels this year, and they will be back next year and the following year. Councilman Jones advised that the motels do the same thing in Galax when it comes time for the Fiddler's Convention. He explained that all of the motels around the area raise the price, and people pay it. Councilman Jones remarked that he recognizes it is a situation that no one likes, but at the same time, the Council is looking to the future, and it is not going to be the current citizens who, in the long term, get the benefit of it, but it is the current children and the grandchildren who are going to end up benefiting. Councilman Jones advised that the community center will benefit all of the citizens. Mayor Crewe thanked Councilman Jones for his comments.

Vice-Mayor King indicated that she has two comments. She advised that since she has been on the Council, and noted she cannot remember exactly how many years it has been, but possibly it has been 10 years since DEQ required the Council to close the Town landfill. Vice-Mayor King advised that it was an astronomical amount of money that the Council did not anticipate having to spend. She noted that as far as she knows, the old landfill is still being monitored. Mayor Crewe interjected that the old landfill is still being monitored. Vice-Mayor King advised that this monitoring continues to cost the Town money. She reiterated that the closing of the landfill required a lot of money from the Town. Vice-Mayor King remarked that her second comment is regarding people who cannot afford to participate in a program at the community center. She advised that these people are taken care of, and anyone who wants to participate is not left behind. Vice-Mayor King noted that she knows this by serving on the Recreation Commission. Mayor Crewe thanked Vice-Mayor King for her comments.

Mayor Crewe inquired if there is any other discussion on the motion. There being none, the motion was approved with the following voting results:

FOR: Trenton G. Crewe, Jr., Jacqueline K. King, John W. Jones, Jr., William B. Weisiger

AGAINST: Charles G. Crockett

ABSTENTIONS: None

Ordinance No. 1156 was approved on third and final reading. Mayor Crewe advised that the ordinance will become effective September 1, 2003.

RE: RESOLUTION – GENERAL OBLIGATION BONDS

Mayor Crewe stated the next agenda item is the consideration of a resolution authorizing the issuance and sale of \$14,454,000 general obligation public improvement bonds of the Town of Wytheville, Virginia, and providing for the form, details, and payment thereof, to finance the construction and equipment of a community center. He explained that this resolution is required in order to pursue the Rural Development loan. Mayor Crewe remarked that this does not obligate the Council, and the Council can stop this process at any point, but the resolution is required as one of the application procedures. A motion was made by Councilman Jones and seconded by Vice-Mayor King to adopt the resolution authorizing the issuance and sale of \$14,454,000 general obligation public improvement bonds of the Town of Wytheville, Virginia, and providing for the form, details, and payment thereof, to finance the construction and equipment of a community center. Mayor Crewe inquired if there is any discussion on the motion. Councilman Crockett noted that on the first page of the resolution, it mentions in paragraph 3 that "The Bonds shall bear interest at the rate of the lower of 4.75 percent or the quoted rate effective...." He noted that the 4.75 percent was mentioned in several different places, as he recalls reading it. Councilman Crockett stated he was under the impression that the Council was talking in imminent terms of a 4 percent loan and inquired if that is correct. Town Manager Sutherland noted that the interest amount is 4.5 percent. He explained that Mr. Travis Jackson of Rural Development has indicated that, assuming the Council adopts this resolution, the rate quoted by the government will be 4.5 percent. Vice-Mayor King inquired if Town Manager Sutherland is stating the figure in the resolution will change to 4.5 percent. Town Manager Sutherland noted that Mr. Jackson has stated that the maximum interest rate would be 4.75 percent or lower. Mayor Crewe noted this is the way the resolution reads and noted it states, "the lower of 4.75 percent or the rate quoted by the government." He explained if the government rate increased, it would be 4.75 percent, and if it is lower than 4.75 percent, it would be the stated rate by the government. Councilman Crockett inquired if he understands that the only thing this resolution does is actually provide the mechanism for an application and it does not bind the Council at any time. Town Manager Sutherland stated that is correct. He noted that the Council would not be obligated until they accept the check and sign the bond. Town Manager Sutherland advised that this resolution is part of the legal process. Mayor Crewe remarked that it keeps the Town in the process for this allotment of funding from Rural Development before this series runs out and before the next one starts. Town Manager Sutherland explained that it is moving ahead in the process, and there is no question of that. He explained that, for example, it would be like a person obtaining a personal loan at the bank, and this is the point before the bank hands a person the check. Mayor Crewe inquired if there is any further discussion. There being none, the motion was approved with the following voting results: For: Trenton G. Crewe, Jr., Jacqueline K. King, John W. Jones, Jr., William B. Weisiger. Against: Charles G. Crockett.

RE: ADJOURNMENT

Mayor Crewe inquired if there is any further business to be discussed before the budget work session. There being none, a motion was duly made, seconded, and carried to adjourn the meeting (7:45 p.m.).

Trenton G. Crewe, Jr., Mayor

Sharon P. Hackler, CMC, Clerk of Council