

The Smithfield Town Council held its regular meeting on Tuesday, June 4th, 2013. The meeting was called to order at 7:30 p.m. Members present were Mr. T. Carter Williams, Mayor; Mrs. Denise N. Tynes, Ms. Connie Chapman, Mr. Michael Smith, and Mr. Randolph Pack; Mr. Andrew Gregory, Vice Mayor and Dr. Milton Cook. Staff members present were Mr. Peter M. Stephenson, Town Manager; Mr. William T. Hopkins III, Director of Planning and Public Works; Ms. Lesley G. King, Town Clerk; Mr. William H. Riddick, III, Town Attorney; Mr. Steven G. Bowman, Police Chief and Ms. Ellen Minga; Town Treasurer. Others in attendance were Mr. Al Casteen; Isle of Wight County Board of Supervisors, Smithfield District. There were seven (7) citizens present. The media was represented by Ms. Abby Proch of The Smithfield Times.

Mayor Williams – Good evening ladies and gentlemen. Welcome to the June 4th, 2013 Town Council meeting. We will stand and say the Pledge of Allegiance led by Councilwoman Tynes.

All present stood and recited the Pledge of Allegiance to the flag.

Mayor Williams – We will start with the Informational Section. Our Town Manager will give us the Manager's Report.

Town Manager – Thank you. Welcome everyone. The May Activity Report was included in the electronic posting. As always, I will be happy to answer any questions in that regard. We had another busy month. We started off the month of June with our new audit firm which started yesterday. Our Town Treasurer has been very busy with the new auditors. As far as the meeting schedule for the month of June, we have the Windsor Castle Park Foundation Board meeting on June 6th at 2:00 p.m. at Town Hall. The Smithfield Planning Commission is on June 11th at 7:30 p.m. On June 18th at 7:30 p.m. the Board of Historic and Architectural Review will meet. Please note that we do not have a board of Zoning Appeals meeting this month. Our committees will meet on June 24th and 25th beginning at 4:00 p.m. at the Smithfield Center. The main thing to note is that every June we have the budget hearing. This evening the meeting will be continued because the Council cannot take action on the proposed budget for next fiscal year this evening. They can take action on an amended budget but not on a proposed budget. It will be considered after all of the public comments tonight have been received. At 6:00 p.m. on June 24th, we will have the continued Town Council

meeting. We have Olden Days at the end of the month on the 28th and 29th. Tomorrow we have a couple of things happening. The Dome Theater that the Council helped to sponsor with the "Friends of the Smithfield Library" will be open to the public every thirty minutes between 2:30 p.m. and 5:30 p.m. on June 5th at the YMCA. If you are heading down Battery Park Road tomorrow near Harvest Fellowship Church between 9:00 a.m. and 4:00 p.m. please expect one lane alternating traffic. The contractor will be milling and paving in front of the church where they are doing the new construction on June 5th and 6th. Amy Musick at the Smithfield Center sent out an email this afternoon with an item discussed at committee. The town is now offering kayak rentals at Windsor Castle Park on Friday 3:00 p.m. to 7:00 p.m. and Saturday and Sunday will be 8:00 a.m. to 7:00 p.m. We will be doing that consistently through Labor Day. There will be a fee for the kayak rentals. The town is happy to be offering that service. We hope it goes well. The website is Windsorcastlekayaks@yahoo.com. We will be setting up a phone number this week as well for reservations. I did confirm this afternoon about the county's public hearing that will follow on the boundary line adjustment will be on June 20th. Chief Bowman will introduce our newest officer.

Chief Bowman – Thank you, Mr. Stephenson. Good afternoon everyone. It is my pleasure to introduce to you Officer Paul Bancroft. He joined us about a month ago. He is from Hampton. He is a graduate of the Hampton Police Academy. He has been training with us for approximately one month. He was selected from a group of about sixty applicants. We are happy to have him here. He will start the second phase of his field training which is called shadowing. We expect to have him on the road in the very near future. We do not have any further vacancies. It is my pleasure and honor to introduce Officer Bancroft.

Mayor Williams – Welcome aboard Officer Bancroft. Do any Council members have any questions or comments? Hearing none, we will move to Public Comments. The public is invited to speak on any matters except scheduled public hearings. Are there any citizens that would like to speak? Seeing none, we will move to our Briefing by Mr. Al Casteen, Isle of Wight County Board of Supervisors, Smithfield District.

Supervisor Casteen – Thank you, Mr. Mayor and members of Council. The Board voted to implement the Stormwater Management Utility Fee at the May 16th, 2013 meeting. An annual fee of \$72.00 per residence with commercial fees being based on

total impervious surfaces was adopted. The board voted to locally fund the school budget in the amount of \$24,226,200.00 with categorical funding for the full school budget in the amount of \$55,378,000.00. This was a unanimous vote. The Board voted 4-1 to adopt the County Operating Budget in the amount of \$96,312,616.00 which will result in an eight cent real estate tax increase on top of that Stormwater Management fee which is essentially a tree cent additional increase. If you take the eight cents, three cents and the thirteen cent increase from two years ago, we have now increased the tax rate 46% in two years. We added \$4,000,000.00 to the operating cost last year and another \$1,300,000.00 this year. I do not believe that it is sustainable. The Board voted to amend the real estate tax assessment code regarding biennial general reassessments as a new reassessment will not be done this year. It was done primarily to save tax payers from another increase since it would have cost about \$3,000,000.00. It was an effort to keep control of taxes. The Board voted to raise motor vehicle license fees and will hold a public hearing at the June 20th, 2013 meeting. The board voted that the County Attorney's office be authorized to advertise a 2013-2014 Capital budget and that the ball field in Smithfield be included as a project. The Board voted that staff be authorized to go to the bond market to pursue refinancing of debt with the hopes of saving the taxpayers over \$1 million dollars. The County Attorney's office was authorized to advertise the Boundary Line Adjustment for public hearing at the Board's June 20th, meeting. Are there any questions?

Councilman pack – Is the \$72.00 per residence fee strictly for the county residents or for the Smithfield residents as well?

Supervisor Casteen – It is for county residents.

Mayor Williams – It includes the town residents.

Supervisor Casteen – That is correct.

Mayor Williams – They are handling all of the stormwater management until we get to ten thousand people. We will have to get on board after that.

Councilman Dr. Cook – Why did you oppose the budget that was passed?

Supervisor Casteen – You mean for the County Operating budget? Thank you for asking that question. I reviewed the revenue items for this year based on the report that we already received this year. For instance, EMS fees, we fully expect to collect one million dollars this year in EMS fees. It is in our budget for \$550,000.00. If we have

already collected \$800,000.00 and we expect to get the other \$200,000.00 then it should have reflected that. The budget for this year did not reflect in my view what we expect to receive. There are many lines on our revenue side that are off like that. It is not big amounts of money but some. They added up to \$700,000.00. I thought I had enough Board support to get that passed. A Board member talked to staff, the Commissioner, and the Treasurer and decided that they did not need to do that. I felt that two cents would cut the eight cents down to six cents. Are there any other questions?

Councilman Dr. Cook – I was just curious why you voted down the budget after increasing all of these budget items that you voted it down?

Supervisor Casteen – There were some changes on the expense side not a lot of money but about \$100,000.00. For instance the fees for tax and recordation we collected a half a million dollars for the previous three years. Staff put it in as a budget of \$125,000.00. We have already collected over \$530,000.00 for this year at that time for three quarters of the year. When you annualize that it is going to be more than \$530,000.00 again since we have already collected right at \$500,000.00. I do my best to watch the tax payer's wallet as best as I can.

Vice Mayor Gregory – As part of your report, did you say that county taxes for county residents have increased 46% over the course of three years?

Supervisor Casteen – Two years.

Vice Mayor Gregory – So people are paying 46% more than they did two years ago?

Supervisor Casteen – Yes sir if you include the stormwater fee. Remember two years ago we raised it thirteen cents.

Vice Mayor Gregory – That would insinuate that peoples' mortgage payments would be going up a lot if they are financing their taxes and insurance. I have not seen that happen.

Supervisor Casteen – That is correct. They will start letting you know when it gets to a certain threshold. Rest assured you will be getting a notice.

Vice Mayor Gregory – So someone that is paying \$1,000.00 in taxes two years ago is now going to pay roughly \$1,500.00.

Supervisor Casteen – Yes. It was thirteen cents the first time which was a twenty five percent increase. This time it is an eight cent increase but essentially three percent which totals an eleven cent increase which is not far from thirteen. If you put the two together it is 46%. We cannot sustain that.

Mayor Williams – Next is Council Comments. Are there any Council comments? We are having a lot of visitors in town since last Wednesday morning at 7:00 a.m. I have met with people from Germany, Asia, Canada, and every television station and news media there is and so have Vice Mayor Gregory, the Town Manager and the Town Clerk. I think we have all handled it well. It is inevitable and we think it will be happening if it passes the regulators and stock holders. I think that will probably happen. The really like our town and the hospitality. Thanks for everybody's support. Next is our Consent Agenda. Does anyone want to pull an item off of the consent agenda for further discussion? Hearing none, we move to the Summary of Consent Agenda Items. These are summaries of items that we discussed at our last committee meetings. We will start with the Police Committee Chair, Connie Chapman.

Councilwoman Chapman – Police Committee Summary. Thank you, Mayor. Welcome everyone. Our first item is a resolution to appoint members to the Smithfield Community Crime Prevention Team. This is an initiative that Chief Bowman and the Town Manager have been working on to try to get our community to go through the year to year and a half process of becoming a Certified Crime Prevention Community. There have been a couple of meetings that have gone on with that committee. Thank goodness Mr. Rick Bodson is on that committee because he is the most organized man that I have ever met in my life. Our next item is a resolution for a street closure request for Olden Days on June 28th and 29th which includes Main Street, Institute Street and the intersection of North and South Church Street.

Mayor Williams – Next is the Water and Sewer Chair, Vice Mayor Gregory.

Vice Mayor Gregory – Water and Sewer Summary. I have one item on the agenda dealing with water and sewer. It is a motion to accept the proposal for the budgeted pump station upgrades at both Cypress Creek and Watson Drive. REW Corporation, who the town has as an electrical contractor that specializes in these types of jobs, will be performing the work. The work is in the amount not to exceed \$43,582.00.

Mayor Williams – We now move to the Finance Committee Chair, Mr. Randy Pack.

Councilman Pack – Finance Committee Summary. Thank you, Mr. Mayor. We have one item over \$10,000.00 requiring Council's consideration. It is a bill from Draper Aden Associates for \$14,454.00 which all relates to the consent order.

Mayor Williams – Next we have the Public Works Committee Chair, Mr. Michael Smith.

Councilman Smith – Public Works Committee Summary. We have three items this evening. We have a motion to renew the landscaping contract with Southern Shores Lawn and Landscaping for one additional year. We have the right to renew this for four years. We have been very satisfied with their work. They have additional work in the front of the Taste of Smithfield. Next is a motion to renew our Regional Storm Water Management Program Memorandum of Agreement. This is an agreement to cooperate with the county and any agendas that they may have with storm water management. The next item is to approve the grant funding for the Water Works Lake Dam Project. We have partial funding for this ongoing project and the state picks up part of it. We are moving forward with that to proceed with the regulations on this project.

Mayor Williams – Next is Public Buildings and Welfare Committee Chair, Dr. Milton Cook.

Councilman Dr. Cook – Public Buildings and Welfare Committee. We have a motion to authorize the Town Manager to enter into a License Agreement with Mr. Nelson for hot air balloon launches on public property. This is a hot air balloon company who would like to use some of the Town's public property to launch hot air balloons on. The second item is a motion to authorize the Town Manager to enter into a License Agreement with Smithfield Foods for additional paved parking. There would be more parking added here at the Smithfield Center. Next is a resolution to authorize the annual fireworks display at Clontz Park on July 3rd, 2013 and cost sharing program with the county.

Vice Mayor Gregory – I will make a motion that the consent agenda be approved as presented this evening.

C1. Resolution to Appoint Members to the Smithfield Community Crime Prevention Team.

discussed this on many occasions and with the recommendation of the Police Chief you recommended that the ordinance be amended to remove the provisions pertaining to the requirement for safety equipment and inspections. Those two provisions of the ordinance are being repealed. There used to be areas where golf carts were permitted. You recently changed speed limits within the town by reducing them to 25 mph, which essentially makes anywhere where there are 25 mph or less speed limits could be an appropriate location for the operation of golf carts. Adoption of this ordinance will repeal the safety equipment, safety inspections and make golf carts legal in any areas with 25 mph or less.

Mayor Williams – Are there any comments from Council?

Councilman Dr. Cook – I will make a motion to approve the amended ordinance.

Councilwoman Tynes – Second.

Mayor Williams – A motion has been made and properly seconded to approve the ordinance to amend golf cart usage in the Town of Smithfield. Roll call vote.

On call for the vote, seven members were present. Councilwoman Tynes voted aye, Vice Mayor Gregory voted aye, Councilwoman Chapman voted aye, Councilman Dr. Cook voted aye, Councilman Pack voted aye, Councilman Dr. Smith voted aye, and Mayor Williams voted aye. There were no votes against the motion. The motion passed.

Mayor Williams – Next is Public Hearing: Adoption of Amended Budget for FY 2012/2013. Ms. Ellen Minga, Town Treasurer will speak on this.

Town Treasurer – Good evening. The proposed budget amendments for the current fiscal year 2013 reflect a 29% increase excluding the road maintenance funds. This is largely because of the South Church Street project that was originally expected to be completed in fiscal year 2012 as well as the start up of the Phase II Pinewood Heights project and the sale of three parcels of town property in this fiscal year. Revenues from taxes showed some fluctuations as follows: personal property increased by \$51,000.00 as collections for both current year and prior period delinquencies exceeded expectations. There were a few areas on the budget that I highlighted which represent changes since the budget was actually printed in the paper for the public hearing. A few things have come to light since that. The franchise tax fees are fees or taxes that we get from the local banks and it is based on the amount of deposits in the banks in this locality compared to the total deposits they have around the state. We had

a significant decrease in one of the franchise tax fees for one of our local banks. It went down \$20,000.00. I just received the check today so that change has been made. I am not really sure why but my guess is that it is actually because of the decrease in deposits and not a significant increase in activity in the state. It could be that they have expanded and therefore our percentage has gone down but I do not think so. I think it is just a decrease here which is just my guess. Sales taxes are also reflecting a decrease from prior year. There is always the possibility that we will have strong collections for May and June. Currently we are tracking below last year. Obviously May is finished but we receive that money from Isle of Wight County. We do not have that check yet so we do not know what that amount is going to be. Meals tax was increased from 5% to 6% in July in order to dedicate an additional 1% to the Pinewood Heights project as Phase II got started so that represents that increase. As mentioned before, revenue from the use of money and property was adjusted to reflect the sale of three town parcels to private business owners. Revenues from the state and federal government were increased to reflect final draw requests for the conclusion of the South Church Street project as well as FEMA reimbursements from outstanding project work dating back to Hurricane Irene. Contributions increased by \$714,000.00 from the original budget largely because of a private donation of \$400,000.00 for the South Church Street Project that we expected to get last fiscal year and the expected donation of the public restrooms currently being constructed on Main Street for approximately \$250,000.00. We also took out short term financing of \$80,175.00 to cover the cost of a new HVAC system for the Smithfield Center. The Highway and Road Maintenance Funds which are grant funds from the state are based on allocations for the prior year. Actual payments from the state increased however by almost 8% as reflected in the revised budget. Also, the town participated in a Revenue Sharing Project with VDOT for the left turn lane on John Rolfe Drive. We used cash proffer money to pay for our portion of the project. It was appropriate. We actually needed to use that cash proffer money. It was designated for that type of work. On the expense side, operating expenses reflected very little change overall decreasing by .46% or \$26,957.00. Debt Service showed the largest increase with the addition of the five year HVAC loan with Farmers Bank. Capital Outlay on the other hand showed significant increases. Planning, Engineering and Public Works is most notable with a portion of South Church Street mostly for the utility portion being

rolled into fiscal year 2013. Originally, we expected it to be completed in fiscal year 2012. Public Buildings increased by \$250,000.00 again to reflect the expense side of the public restrooms. Parks, Recreation and Cultural increased by almost \$75,000.00 to reflect the HVAC unit for the Smithfield Center. It did not go up by the \$80,000.00 that we borrowed because we had originally anticipated capital maintenance on the HVAC and was that was deleted from the budget. The Operating Reserves are projected at \$779,899.00 at fiscal year end. Much of that will be rolled over to fund the 2014 budget and the rest will be invested for future needs. Water and Sewer revenues dropped by almost 12% because the actual consumption for the year is tracking significantly lower than budgeted projections. We were aware of this when we prepared the 2013 budget that consumption had dropped as new rates went into effect in January 2012. We originally thought that it would gradually increase back to previous levels but this has not been the case. Some residents have put in irrigation wells and the weather also plays a large part in usage. Depreciation Expense for sewer was notably increased based on audit recommendations for fiscal year 2012 that impact the depreciable lives of some of our assets. While this is not a cash entry, when you combine the decrease in revenues and the increase in the depreciation the budget dropped from an expected income of \$524,531.00 to a loss of \$152,838.00. This does not include the cash outlay required for debt service principle payments and capital expenditures which just hit the balance sheet. This is basically a summary of the changes to the budget.

Mayor Williams – Thank you, Ms. Minga. We will now declare the public hearing open. Are there any sign ups?

Town Manager – No sir.

Mayor Williams – Would anyone like to speak? Hearing none, we declare the public hearing closed. Now we will have consideration by Finance Committee Chair, Mr. Randy Pack.

Councilman Pack – I would like to make a motion that we approve the adoption of the amended budget for FY 2012/2013.

Vice Mayor Gregory – Second.

Mayor Williams – A motion has been made and properly seconded. Roll call vote.

On call for the vote, seven members were present. Councilman Pack voted aye, Councilman Smith voted aye, Vice Mayor Gregory voted aye, Councilwoman Chapman

voted aye, Councilwoman Tynes voted aye, Councilman Dr. Cook voted aye, and Mayor Williams voted aye. There were no votes against the motion. The motion passed.

Mayor Williams – At this time we have a Public Hearing: Proposed budget for FY 2013/2014. We will have a staff report from Ms. Ellen Minga.

Town Treasurer – The proposed 2014 budget reflects a \$1,438,112.00 decrease or a drop of 14.71% from the revised 2013 budget numbers before road maintenance. This decrease results from a drop in federal revenues and contributions for the South Church Street Project that will close in fiscal year 2013. As you can see, tax revenues and license fees are relatively flat. There has been a change again in the franchise tax fee. As I mentioned in the amended budget for 2013 that will carry forward to 2014 assuming that the amount does not recover and go back up. The 2% meals tax revenue is used for special projects which are expected to be almost \$28,000.00 higher in fiscal year 2014 since the receipts will reflect a full year. Even though we adopted it in July of last year that first quarterly payment was mostly for collections at the end of the prior fiscal year which was still at the 1% rate instead of the additional 1% to make a 2% total. Revenues from the use of money and property are projected to decrease by almost 71% in the current fiscal year. Obviously we have sold three town properties but we have not budgeted for the sale of any properties for next year. Other revenues are budgeted at 59% less in fiscal year 2014 as the Obici Foundation grants were largely funded in this fiscal year. Combined revenue from the Commonwealth of Virginia and the federal government are projected to decrease over a \$1,000,000.00 with the conclusion of the South Church Street Project and the closure of some outstanding FEMA projects dating back to Hurricane Irene. Contributions will drop 96% because fiscal year 2013 included the \$400,000.00 private donation for South Church Street and \$250,000.00 for the public restrooms. We have currently budgeted for a potential note of \$400,000.00 to cover the town's initial cost toward public ball fields. It is anticipated that approximately half of this will be reimbursed over time. Operating Reserves of \$529,000.00 are budgeted primarily for use on the Pinewood Heights Project from meals tax revenues collected and not used in 2013 and rolled forward. Some will go towards operations but a large portion of the reserves were collected in meals tax this year but Phase II just got started and we have not used a lot of it. Road Maintenance Funds are grant funds from the state that are based on allocations from the prior year.

In all of the years that I have been here that amount has always increased a little bit every year. Some years have increased more significantly than others. To date it has not gone down so I assume that we can expect it to remain level or go up a little bit possibly in the next year. Regarding expenses, we did give a cost of living increase of 1.5% to all employees and included 1% to adjust for the employee's additional contribution towards their VRS Retirement premium which is required. We kept the current health and dental plans which reflected a 5.52% and a 1.32% increases respectively. We felt it was important to continue to offer quality coverage right now in light of the uncertainty that we might be facing in terms of cost next year due to the possible changes forthcoming from the federal government regulations. Notable changes in operating expenses included Parks, Recreation and Cultural of \$141,278.00 which includes allocation of labor and benefits to Windsor Castle Park for the first time since its' opening. In the past those have been absorbed by the Public Works Department. We decided that we should split those out and see how much it is really costing us to run the park as well as expenses related to the Water Works Dam that will be partially funded by a grant. The Debt Services budgeted for an increase that represents the debt service payment on the note payable for the ball fields over a five year period. Capital Outlay reflects an overall decrease of 37% as the large South Church Street Project and the public restrooms were completed in fiscal year 2013. The \$45,000.00 capital budget for the Treasurer's Office which is a new item is for possible replacement of the AS400 server as IBM will terminate maintenance on the current model in September of 2013. Road Maintenance expenses are budgeted to exhaust state funding. The Water and Sewer budget shows very little change from the revised budget for fiscal year 2013 with operating income before bad debt depreciation and amortization at 1.91% or \$19,841.00 increase. Income after contributions is expected to increase by \$65,323.00 from fiscal year 2013 but it is still in that loss and does not reflect payment of debt principal and capital outlay. Water Capital expenses are expected to increase by \$192,205.00 to include a water line replacement at the Cypress Creek Bridge. In light of the fact that consumption has dropped in the past year and operating costs have continued to climb we will be having a public hearing on the water rates at the continued meeting in June. No action has been taken on the budget for that at this time.

Mayor Williams – Are there any questions? I now declare the Public Hearing for the Proposed Budget for FY 2013/2014 open. Are there any sign ups?

Town Manager – No sir.

Mayor Williams – Would anyone like to speak? Seeing none, I declare the public hearing closed. We will turn this over to the Finance Committee Chair, Mr. Randy Pack, for consideration.

Councilman Pack – I will make a motion to move this to the continued Council meeting for consideration on June 24th, 2013 at 6:00 p.m. following the conclusion of our committee meetings.

Councilman Smith – Second.

Mayor Williams – A motion has been made and properly seconded. Roll call vote.

On call for the vote, seven members were present. Councilman Pack voted aye, Councilwoman Tynes voted aye, Vice Mayor Gregory voted aye, Councilman Smith voted aye, Councilwoman Chapman voted aye, Councilman Dr. Cook voted aye, and Mayor Williams voted aye. There were no votes against the motion. The motion passed.

Mayor Williams – Next we have a Public Hearing: Special Use Permit – Cypress Run Drive. Mr. Hopkins, will give us a staff report.

Director of Planning, Engineering and Public Works – Thank you. Tonight we have a Special Use Permit application. The property owner is Mr. Henry Layden. The applicant's name is Mr. Randy Lenz who is the contractor on the site. The property is located behind Farm Fresh on Cypress Run Drive. The main reason for this Special Use Permit is basically because of the private water and sewer. It will really be a temporary type of situation. A lot of times you will have public water and sewer being brought to that property and you want to make sure that they tie into that in the future. On May 14th, 2013 it went before the Planning Commission for a Special Use Permit application and they recommended approval with the condition that once public water and sewer became available to that particular site then they must tie into it at their expense.

Mayor Williams – Are there any questions? I now declare the public hearing open for the Special Use Permit for Cypress Run Drive. Are there any sign ups?

Town Manager – Mr. Randy Lenz is signed up.

Mayor Williams – Please state your name and address for the record.

Mr. Lenz – My name is Randy Lenz. I live at 19351 Battery Park Road in Smithfield. We are asking to get a Special Use Permit for a temporary water and sewer system until such time as town water and sewer are available for Mr. Layden to build a residence for himself. I am here to answer any questions that you might have.

Mayor Williams – Are there any questions? Is there anyone else that would like to speak? Hearing none, the public hearing is closed. We will turn this over to Public Buildings and Welfare Committee Chair, Dr. Milton Cook.

Councilman Dr. Cook – I will make a motion to grant a Special Use Permit for Cypress Run Drive with the condition that once public water and sewer become available that they will be required to tie into it.

Councilman Smith – Second.

Mayor Williams – A motion has been made and properly seconded. Roll call vote.

On call for the vote, seven members were present. Councilman Pack voted aye, Councilwoman Tynes voted aye, Vice Mayor Gregory voted aye, Councilman Smith voted aye, Councilwoman Chapman voted aye, Councilman Dr. Cook voted aye, and Mayor Williams voted aye. There were no votes against the motion. The motion passed.

Mayor Williams – Next is a Public Hearing for a Special Use Permit for Cypress Crossing. We will have a staff presentation by Mr. Hopkins.

Director of Planning, Engineering and Public Works – This is the same type of application. This property is owned by Jerry and Mary Hughes. The contractor who is the applicant is Mr. Ricky Edgerton. The property is located at the end of Cypress Crossing and consists of approximately twenty-seven acres. It is on the right hand side of the property towards the very end of that road. It is a Special Use Permit application for a single family home with temporary private water and sewer being used. It went before the Planning Commission on May 14th, 2013 and they recommended approval to Town Council with the same condition that once public water and sewer became available they must tie into it at their expense.

Mayor Williams – I now declare the public hearing open for the Special Use Permit for Cypress Crossing. Are there any sign ups?

Town Manager – Yes sir. We have Mr. Ricky Edgerton. He did not wish to speak but will be glad to answer any questions.

Councilwoman Tynes – Where is the property located?

Director of Planning, Engineering and Public Works – Cypress Crossing is the road on the right hand side of Rite Aid. You go past the horse stables and the property is on the right.

Mayor Williams – Are there any questions? I now declare the public hearing closed. We will have consideration from Public Buildings and Welfare Committee Chair, Dr. Milton Cook.

Councilman Dr. Cook – I will make a motion to grant a Special Use Permit for Cypress Crossing with the stipulation that they be required to tie into town water and sewer once it becomes available to that location.

Councilwoman Chapman – Second.

Mayor Williams – A motion has been made and properly seconded. Roll call vote.

On call for the vote, seven members were present. Vice Mayor Gregory voted aye, Councilwoman Tynes voted aye, Councilman Pack voted aye, Councilman Smith voted aye, Councilman Dr. Cook voted aye, Councilwoman Chapman voted aye and Mayor Williams voted aye. There were no votes against the motion. The motion passed.

Mayor Williams – Next we have the Public Hearing: Proposed Boundary Line Adjustment Agreement. We will have a staff report from our Town Attorney, Mr. William Riddick.

Town Attorney – Mr. Mayor and members of Council, at long last we are having a public hearing on the boundary line adjustment for properties located on both Battery Park Road and Great Springs Road. The town entered into negotiations with Isle of Wight County months ago concerning these properties. Initially it was just a discussion about the property on Battery Park Road which is comprised of approximately one hundred and eighty-four acres. It is generally known as the Scott farm which is to the east of Battery Park Road. It is an undeveloped piece of property. There is also a small commercial lot on the corner. Both parcels are included in the area to be included in the town. The county has agreed to the boundary line adjustment. While this was transpiring, the town entered into additional negotiations with Isle of Wight County for approximately seventy-eight acres located on Great Springs Road which is the future site of the ball fields. Not only located on that property are the ball fields but the new Rescue Squad facility and a potential church site there as well. The county once again consented to the boundary line adjustment. We have essentially an annexation

proceeding but it is a very friendly one since both parties have agreed to it. It has been quite some time since this has happened before. The town took in a much larger parcel in the year 2000, I think. This is effectively the same process. At the conclusion of your public hearing if you are satisfied that this is the thing to do then you would adopt this resolution which authorizes the town to enter into the boundary agreement and to petition the Circuit Court for approval of the boundary line adjustment for both of these parcels. As part of this proceeding there is also a waiver agreement. Essentially it says that the town and the county in negotiating this friendly boundary line adjustment have agreed that the town will not pursue additional boundary line adjustments for a period of ten years following approval of this boundary line. We did that the last time. We agreed not to do it again. It has been fifteen years since last proceeding with a boundary adjustment. We did one smaller one on the backside of Cypress Creek. This is more akin to that than the 1998 proceeding. That is the matter before Town Council tonight. You are required to have a public hearing.

Mayor Williams – Are there any questions? Hearing none, we now declare the public hearing open for the Proposed Boundary Line Adjustment Agreement. Are there any sign ups?

Town Manager – Yes, we have two gentlemen who have signed up. The first is Mr. John Napolitano.

Mayor Williams – Please state your name and address for the record.

Mr. Napolitano – My name is John Napolitano. I live at 1492 S. Independence Boulevard, Virginia Beach. I represent the owners of the Scott farm. We have worked very diligently with the Town Attorney, Mr. Stephenson, Mr. Hopkins, Mr. Saunders, ex Mayor Dave Hare and even some of the Council members who have sat in on these meetings. I just wanted to say what a pleasure it has been to work with everyone here. Everybody has been great to work with. I want to thank you all for your cooperation and certainly to support this tonight.

Mayor Williams – Thank you. We appreciate that.

Town Manager – Yes sir. We have Mr. Larry Spears.

Mayor Williams – Please state your name and address for the record.

Mr. Spears – My name is Larry Spears. I live at 1415 Cypress Creek Parkway in Smithfield. Good evening everyone. I am here on behalf of the neighborhood of Cypress

Creek. Many of you have been to our homeowner's meeting. You know that we have some people who are concerned about both the ball fields and what is taking place now. Our neighborhood is located immediately adjacent to the Great Spring Road eighty acre tract of land that is included in the proposed boundary line adjustment between the county and the town. My wife has spoken before Council and the county Board of Supervisors regarding Cypress Creek interests in the proposed land use particularly the proposed ball field concept. At this point, as best that we can tell, the complex still remains exactly that a concept. My wife recently visited the town's Planning office and spoke to town personnel to learn about any planning progress that may have occurred since the town and the county voted to provide taxpayer support of \$400,000.00 combined with Isle of Wight County. She was told that the planning was taking up a large amount of personal resources. Councilman Gregory, who I think represents and helps the Smithfield Recreation Association, was asked by the office to take the lead in and to find any engineering designs, planning efforts that had been commissioned. They were unaware of any. In any case, the reason that I bring this all up is because it seems to me that the town and the taxpayers still really have no feasibility plan in place and related information to make a decision on whether investing the funds and incorporating the zero tax revenue land into the town boundary is a good thing or not. Specifically, this is what we are looking for as we assess our continued support. I hope these are the same issues that you have: cost assessments and engineering, construction, annual maintenance, timeline, budget forecasts, revenue plans, number of kids needed, corporate sponsorships, number of tournaments, expenses, required resources including capital expenditures such as movers and equipment and human resources, volunteer or otherwise, dirt, electricity etc. Cypress Creek is supportive of the concept, however, since our neighborhood and other residents along Great Springs will be impacted the greatest then we want to understand and be provided with more information as to how the complex will be paid for and maintained so that it will be successful. It would be bad for us, the town and for the kids and perhaps for Smithfield Foods for this to be a well intended effort but fell short due to lack of careful planning. For example, we understand that one condition of Smithfield Foods donation is that the Beale Park property be sold and that sale funds are used to contribute to the cost of construction. We have also heard rumors that there is a desire for the land to become a

passive park. We have not figured out who would buy that to make it a passive park if that is a condition from Smithfield. That is what we have heard. If everyone is worried about Smithfield Foods donation evaporating while SRA and the town get there plans together then it seems that the funds could be placed in an escrow account until a feasibility plan is complete. We are trying to be supportive but the cart keeps getting before the horse so to speak. It is time to slow down, do our homework and review the plans that are necessary not just for Cypress Creek but all Smithfield residents and more importantly Smithfield Recreation Association to get their ducks in a row. I would also like to understand what role the town is prepared to have in the planning process with \$400,000.00 of county and town funds involved. I hope it is a lot. Let us remember that SRA is going from a five to six acre parcel with three fields to a twenty acre parcel with seven fields and a potentially expensive development bill. We need to match the funds with the expenses and so far we have not seen any information yet on any of this. Of course, the operations, the hours, lights, etc. are issues that Cypress Creek has been discussing with SRA and still need to be incorporated into their bylaws per earlier discussions that we talked about. We want to be a good neighbor. Cypress Creek is not against these ball fields at all. They just want them to be done well and we will support this all the way. As a matter of fact some of us are volunteers. My daughter has played on the teams. I am not sure how fast you all are planning to develop this other parcel. I understand that you are trying to get these two together but if there is any way that we can wait until perhaps January until we get everything in line; I think it would be the smart thing to do. Thank you for your time.

Mayor Williams – We thank you Mr. Spears. Believe it or not, we have an answer for every one of those questions. We will be answering them with you.

Mr. Spears – We appreciate that. We are looking forward to working with you.

Mayor Williams – Has anyone else signed up?

Town Manager – No sir.

Mayor Williams – Does anyone else have any comments or questions? Seeing none, we will declare the public hearing closed. We will have consideration from the Public Buildings and Welfare Committee Chair, Dr. Milton Cook.

Vice Mayor Gregory – Mr. Riddick, referring back to the ten year moratorium, if there were a situation eight years from now where both sides agreed that another parcel needed to take place, can we do that?

Town Attorney – By mutual agreement you certainly can. It does not preclude anything. The town is just saying that we are not going to initiate a new boundary adjustment for a period of ten years. If the circumstances arise and it makes sense for both sides to agree to do that then it is certainly appropriate and permissible.

Councilman Dr. Cook – Are there any other questions by Council about the proposed boundary line adjustments that has currently been presented?

Town Attorney – Dr. Cook, if you would do the motion in two parts. If you notice at the end of the ordinance there is a recorded vote on the ordinance to adopt the boundary line agreement so if we could do this in two parts that would be great.

Councilman Dr. Cook – Two parts meaning one for the boundary line agreement and one for the waiver agreement?

Town Attorney – Yes.

Councilman Dr. Cook – I will make a motion to approve a resolution to the Town Council for the Town of Smithfield approving an agreement to relocate the boundary line to the Town of Smithfield and authorizing the filing of a joint petition pursuant to the Code of Virginia to approve this Boundary Line Agreement.

Vice Mayor Gregory – Second.

Mayor Williams – A motion has been made and properly seconded. Roll call vote.

On call for the vote, seven members were present. Councilwoman Chapman voted aye, Councilman Dr. Cook voted aye, Councilwoman Tynes voted aye, Councilman Smith voted aye, Councilman Pack voted aye, Vice Mayor Gregory voted aye and Mayor Williams voted aye. There were no votes against the motion. The motion passed.

Councilman Dr. Cook – I will make a motion that we approve an Annexation Waiver Agreement between the County of Isle of Wight and the Town of Smithfield.

Vice Mayor Gregory – Second.

Mayor Williams – A motion has been made and properly seconded to approve the Annexation Waiver Agreement. Roll call vote.

On call for the vote, seven members were present. Councilwoman Chapman voted aye, Councilman Dr. Cook voted aye, Councilwoman Tynes voted aye, Councilman Smith voted aye, Councilman Pack voted aye, Vice Mayor Gregory voted aye and Mayor Williams voted aye. There were no votes against the motion. The motion passed.

Mayor Williams – Next we have a Motion to Approve a Right of Way Easement Agreement Request by Dominion Virginia Power. Our Town Manager will give us a report.

Town Manager – This item of business came to staff right after our committee meetings. We had our meetings a week early due to the Memorial Day holiday. Dominion is proposing a project on our property at 220 North Church Street at the Smithfield Center. Dominion and Smithfield Foods desire to close an underground loop to serve both the Smithfield Center and Smithfield Foods corporate offices to enable us to be fed from both directions in an effort to reduce power outages and outage time in cases of emergency. They need an easement. They have prepared a document that has been reviewed. The easement document and the plat were included in the electronic posting. The Town Engineer, Wayne Griffin, has been in touch with their engineer. We met at the Smithfield Center with Smithfield Foods representatives and Ms. Amy Musick, Smithfield Center Director. Basically we have two entrances here. At the farthest entrance toward the bridge and the snack shop next door it would go from the brick wall to our planting bed underground then from that planting bed between us and the Smithfield Little Theatre. It would run along the side of the building to connect with the transformers in the back of the building that are between us and the theatre. It is a ten foot easement. They will put everything back the way that they found it. They are planning to do the work on July 9th and July 17th, 2013 so that is why it was added to the agenda. Obviously, it is hurricane season so they would like to get the work done as well as Smithfield Foods. We have a generator here but we would like to get the work done as well. If we go ahead and dispense with it tonight then they can proceed with scheduling the work for those two dates in July as requested.

Councilman Dr. Cook – Will they be digging up the parking lot to do this work or with they do underground boring?

Town Manager – They will do underground boring.

Mayor Williams – They will have to dig up where they are boring which will be a big hole. I think they are off to the side enough in the bushes.

Town Manager – We have already told them that if some of our landscaping gets disturbed then they may have to do some additional landscaping on the other side to match. They are aware of our concerns. We do not want things to look bad.

Mayor Williams – They have a good track record about putting stuff underground like that. Are there any other questions?

Vice Mayor Gregory – I will make a motion to approve the Right of Way Easement Agreement with Dominion Virginia Power.

Councilwoman Tynes – Second.

Mayor Williams – A motion has been made and properly seconded. Roll call vote.

On call for the vote, seven members were present. Councilman Smith voted aye, Vice Mayor Gregory voted aye, Councilwoman Chapman voted aye, Councilwoman Tynes voted aye, Councilman Dr. Cook voted aye, Councilman Pack voted aye, and Mayor Williams voted aye. There were no votes against the motion. The motion passed.

Mayor Williams – Next we need a Motion to Accept Nominating Committees Recommendation to Fill the Expiring Term (6-30-2013) of Harold Lawrence to the Board of Zoning Appeals. He is a long time Board of Zoning Appeals member. He has done a wonderful job. He really put his heart into it. He was really great for the town. The Nominating Committee was Ms. Connie Chapman, Chair and Ms. Denise Tynes.

Councilwoman Chapman – Thank you, Mayor. Ms. Tynes and I have reviewed all of the information that was received through an ad that was placed in the Smithfield Times trying to recruit talent bank forms on people interested in serving on any council, commission, or committees that may be open in the future. We have decided to come to Council with the recommendation for the Board of Zoning Appeals vacancy of Harold Lawrence to be filled by Mr. Chris Gwaltney. I will make a motion to approve the recommendation for Mr. Chris Gwaltney to fill the vacancy.

Councilwoman Tynes – Second.

Mayor Williams – A motion has been made and properly seconded. Is there any discussion? Roll call vote.

On call for the vote, seven members were present. Councilman Dr. Cook voted aye, Councilwoman Chapman voted aye, Councilman Dr. Smith voted aye, Vice Mayor

Gregory voted aye, Councilwoman Tynes voted aye, Councilman Pack voted aye, and Mayor Williams voted aye. There were no votes against the motion. The motion passed.

Town Attorney – Mr. Mayor, just for the record, this is a recommendation to the Circuit Court for approval. That is generally perfunctory but it is the nature of your motion tonight.

Mayor Williams – Next we have a Motion to Approve the Town Council Minutes for the Meeting of May 7th, 2013.

Town Attorney – Mr. Mayor, I did not find any corrections to make and I recommend that they be approved as presented.

Councilwoman Tynes – So moved.

Councilman Smith – Second.

Mayor Williams – A motion has been made and properly seconded. Roll call vote.

On call for the vote, seven members were present. Councilman Smith voted aye, Vice Mayor Gregory voted aye, Councilwoman Chapman voted aye, Councilwoman Tynes voted aye, Councilman Dr. Cook voted aye, Councilman Pack voted aye, and Mayor Williams voted aye. There were no votes against the motion. The motion passed.

Mayor Williams – Next we have New Business. Does any Council member have any new business?

Councilwoman Chapman – What is the progress on Taco Bell? Someone ask me the other day if we knew the projected completion date.

Director of Planning, Engineering and Public Works – They have not shared that with us. I think the big thing that the public does not see is the inside is still being completed.

Mayor Williams – In the last two years we have had a Fire and Rescue committee meeting every month. The rescue squad falls directly under the Board of Supervisors. The fire department falls mostly under the Board of Supervisors. We do have a pass-through that we pay them that comes from the state to us. We give it to the fire department. We give them some run money which is not significant. So we really do not have a lot going on with the Fire and Rescue Committee. We have talked about it amongst ourselves and we would like to form a Parks and Recreation Committee. We are going to leave the Fire and Rescue Committee in place as it is with Ms. Denise Tynes as Chair, Ms. Connie Chapman and Mr. Randy Pack. They will meet as needed.

We are going to form the Parks and Recreation Committee that will be Ms. Connie Chapman as Chair, Ms. Denise Tynes and Mr. Randy Pack. We are also going to change the Police Committee Chair from Ms. Connie Chapman to Ms. Denise Tynes. The committee will be Chair, Ms. Denise Tynes, Ms. Connie Chapman, and Mr. Andrew Gregory. Does anyone have questions or comments?

Town Attorney – If that is the will of the Council it would be appropriate to adopt a resolution to constitute that committee. Although it can be appointed by the Mayor it would be better if it was your consensus to agree to do that. I think that you had discussed, Mr. Mayor, that it would take over the standing meeting spot on the monthly committee meetings in place of the Fire and Rescue Committee. If necessary the Fire and Rescue Committee can just be added on that same date since it usually only takes a little bit of time.

Mayor Williams – Is there any discussion by Council? Hearing none, I will entertain a Motion for a Resolution to Establish a Parks and Recreation Committee.

Town Attorney – It would be a motion that Town Council establishes a Parks and Recreation Committee to meet on a regular basis. Appointments are made by the Mayor. It is not a standing committee because that requires code action. We are trying to avoid that because there is no need in doing that because we still may find the need for the Fire and Rescue Committee to meet. The appropriate action is to establish a Parks and Recreation Committee.

Vice Mayor Gregory – I will make a motion that we establish a Parks and Recreation Committee.

Councilman Smith – Second.

Mayor Williams – A motion has been made and properly seconded. Roll call vote.

On call for the vote, seven members were present. Councilwoman Chapman voted aye, Councilman Dr. Cook voted aye, Councilwoman Tynes voted aye, Councilman Smith voted aye, Councilman Pack voted aye, Vice Mayor Gregory voted aye and Mayor Williams voted aye. There were no votes against the motion. The motion passed.

Mayor Williams – Is there any other new Business to come before Council? Next is Old Business. We have a Discussion on Annual Evaluation Process for Council Appointed Staff Positions. In the past, we have always had a chair that would handle

the questions. All Council members would get a questionnaire to fill it out for each member. After the council meeting, we would go into closed session and call each member in to discuss their evaluation. Ms. Connie Chapman has done it for the last two years and done an outstanding job. I went to a seminar at a VML Conference in 2010 or 2011 and went to a meeting on how to evaluate staff. They were adamant about not doing it at a Council meeting. Most of them have three members, the Town Attorney, Town Clerk and the Town Manager. In this case, we have the Town Treasurer so we have four. I brought up that it is a convenient time to call everybody in because everyone is here to go into closed session. They said absolutely not. I had some brochures and paperwork which I gave to the Town Manager. The Town Manager has evaluated it. I would like to have the Town Manager and Council's input on it. Do you think we should change the form that we have used for quite a while and have it at the end of the Council meeting or move it to another time? It is a whole lot more convenient here but I just wanted to discuss it.

Town Manager – We do have the existing blank forms that have been used in the past for all four appointed positions. I have reviewed the information that you provided to me from VML. There were three possible new forms that could be used for the Town Attorney, Town Clerk and Town Manager but did not have a new form for the Town Treasurer. It covers a lot of the same performance factors for the positions. The new form includes a self-evaluation section that each of us would need to fill out. It is a sheet for us to fill out that explains how we think we are doing, what we think would be better, and what our goals are for the next year. You just provide feedback to us but it does not give us a chance to self critique. My position is really the only one where I am required every five years to do the 360 evaluation to get input from other folks like staff members and other community leaders. It was done last year for me. In terms of the format we leave that completely to your discretion whether you would like to do it following the meeting or at a separate time. The only other option is to have Council provide the input to the committee Chair. The committee Chair, with one or two Council members, has the input from all of you and then the Evaluation Committee meets with all of us during the month. Typically, it is done during the month of June. It does not necessarily have to be completed by the end of the fiscal year but we certainly strive to do that for our staff. We start our staff evaluations during June. It is really however you wish to do it.

Mayor Williams – Are there any comments?

Vice Mayor Gregory – What was the reasoning behind not having the evaluations during the meeting's closed session?

Mayor Williams – The man said that it was like a firing squad. All staff is sitting outside while one is being evaluated. He said that it is just not a good relationship.

Councilman Smith – It has been effective in the past.

Mayor Williams – We are very fortunate to have an excellent staff. We do not want anyone walking out upset. I think that was what they were alluding to for larger towns. I think we are one of the smallest towns that go there. We are already here and assembled. I just wanted to have staff input on it to see how they felt about it.

Councilman Dr. Cook – I personally like it the way we do it. We are all here. I am not opposed to changing our format. However, it is very convenient because everyone that needs to be here is here. I do not think that anyone feels like we are a firing squad.

Mayor Williams – No but I think that was what he was alluding to.

Councilman Smith – If there was an issue it would have been brought up long before now.

Councilwoman Tynes – I think that we need to change the evaluation forms. As far as the time, I do not think it matters. We go to the conferences but larger towns do things differently. The time frame works for all of us because we are all here at this time.

Town Manager – I will just say for the record as I have in the past that we just appreciate the fact that you do take the time to provide the input as we do to our employees. There are some organizations where they have not been able to give raises so they just stopped doing evaluations altogether. I think that is inappropriate. There are some organizations where the appointed people for not get annual evaluations and they do not know how they are doing, right or wrong. It is commendable that you all do this and are very professional about it. I appreciate it.

Vice Mayor Gregory – If we are going to consider changing the forms, could we bring some examples of forms to our next committee meetings so that we can see the difference between what we use now and what the new forms would be?

Mayor Williams – But that would put us into July.

Vice Mayor Gregory – I was assuming that this would be moving forward. We would stick with what we have for this year.

Councilwoman Chapman – So it does not have to be completed this month?

Town Manager – No, my contract is the only one that has to be renewed for July 1st. The others do not.

Mayor Williams – We could do it after the continued Council meeting on June 24th. Vice Mayor Gregory would like to be able to look at the different forms.

Town Manager – We could send those out by email to everyone tomorrow. We can send the one we use now and what we are thinking about with what the Mayor had been provided. We could send those out tomorrow. You can take a look at the Treasurer's evaluation and see if you would want us to modify it somehow. There were not a lot of examples out there.

Mayor Williams – We are going to leave the format as it is on the evaluations at the June 24th continued Council meeting. I would like to ask Ms. Connie Chapman to be Chair on the Evaluation Committee.

Councilwoman Chapman – Yes sir.

Mayor Williams – The Town Manager will be getting the forms to us. Is there any other old business? Are there any closed session items tonight?

Town Attorney – No sir.

Mayor Williams – The Council meeting will be continued on Monday, June 24th, 2013 at 6:30 p.m. Our meeting tonight is adjourned. Thank you very much for coming.

The meeting adjourned at 8:50 p.m.



T. Carter Williams
Mayor



Peter Stephenson, AICP, ICMA-CM
Town Manager