

MINUTES OF THE JUNE 3, 2014
CHINCOTEAGUE TOWN COUNCIL MEETING

Council Members Present:

John H. Tarr, Mayor
J. Arthur Leonard, Vice Mayor
Ellen W. Richardson, Councilwoman
Gene W. Taylor, Councilman
Terry Howard, Councilman

Council Members Absent:

John N. Jester, Jr., Councilman
Tripp Muth, Councilman

CALL TO ORDER

Mayor Tarr called the meeting to order at 7:00 p.m.

INVOCATION

Councilman Howard thanked Mayor Tarr and previous Mayors and Councils that allowed prayer at the beginning of Council meetings.

Councilman Howard offered the invocation.

PLEDGE OF ALLEGIANCE

Mayor Tarr led in the Pledge of Allegiance.

OPEN FORUM/PUBLIC PARTICIPATION

Mayor Tarr opened the floor for public participation.

- Ms. Donna Leonard advised that WCTG had a fundraiser at Steamers. She reported that during the fundraiser, Mr. 'Red' McDonald from Chincoteague Fisheries donated \$1,000 for the playground.

STAFF UPDATE

Planning Department

Town Planner Neville expanded on the report already in the Council's packet. He thanked Council for reviewing the status of the Comprehensive Plan Update, advising that the Planning Commission will continue their work on it. He stated that they are busy addressing the CCP, and a draft newsletter will be prepared to give a further update on this matter.

Police Department

Chief Lewis advised that other than the monthly report included in the agenda packet he had nothing further.

Public Works Department

Public Works Director Spurlock stated that other than his monthly report in the agenda packet he had one update. He reported that the sign recognizing the families which donated the land has been installed at the Chincoteague Veterans' Memorial Park.

Mayor Tarr asked about the bricks needed to finish the Main Street project.

Public Works Director Spurlock advised that the bricks came in and the final walk-thru for the Downtown Project is scheduled for June 13th. He also mentioned the fishing pier.

Councilman Howard commented on the paving downtown.

General Government

Town Manager Ritter reported that the EMS responses for May were 86 which were 11 more than May of 2013. He stated that ALS responses were 46, BLS was 19 and other calls were 21. He added that at the last Council meeting there was a suggestion for AED training. He explained that AED training is included in CPR training and certification. He spoke with the YMCA advising that they are trained in CPR and the AED also.

Town Manager Ritter advised that they are working on a bid for pavers from the Fishing Pier handicap ramp and steps down to the boardwalk so that it will complete the entrance to the pier. He also reported that staff has worked on the graphs for the proposed budget along with the Health Insurance, Vision Insurance and Dental Insurance renewals. He advised that staff sat in on a software demo with Southern Software. He reminded Council of the swearing in ceremony for the new council members on June 25th at 5:00 p.m. Town Manager Ritter mentioned the quarterly newsletter. He added that the 2014 Event Calendar is current and online.

Councilman Howard mentioned the snapshot of revenues. He stated that the Island seems to be prospering.

AGENDA ADDITIONS/DELETIONS AND ADOPTION

Vice Mayor Leonard motioned, seconded by Councilman Taylor to adopt the agenda as presented. Motion carried.

Ayes: Leonard, Howard, Richardson, Taylor

Nays: None

Absent: Jester, Muth

- 1. Consider Adoption of the Minutes**
 - **Regular Council Meeting of May 5, 2014**
 - **Council Workshop Meeting of May 15, 2014**

Councilman Howard motioned, seconded by Vice Mayor Leonard to adopt the minutes of May 5, 2014 and May 15, 2014, as presented. Motion carried.

Ayes: Leonard, Howard, Richardson, Taylor

Nays: None

Absent: Jester, Muth

- 2. Public Hearing for the Fiscal Year “2015” Budget, Consisting of:**

- Revenues for all Divisions
- General Government Fund Expenses
- Water Division Expenses
- Total Main Street Fund Expenses
- Trolley Division Expenses
- Harbor Division Expenses
- Water, & Gen Gov. Rate Sheets

Mayor Tarr opened the public hearing for Fiscal Year 2015 Budget. He asked staff to briefly review the main issues of the budget.

Finance Director Hipple reviewed the proposed FY 2015 Budget. She advised that the total budget amount is \$7,079,922 where the revenues equal the expenditures. She reported that the General Fund budget is \$4,946,573. She advised that there is no proposed tax increase. She stated that there was a reassessment in 2014, and by not changing the Real Estate Tax rate it caused a slight decrease in that revenue source.

Finance Director Hipple reported that the trash fee will increase by \$0.50. She mentioned the Safe Routes to Schools Grant. She stated that instead of the 5% of Meals Tax going into drainage it will go to playground equipment for this fiscal year. She added that the 5% will be reconsidered each year to fund one or the other. She reported that there is no General Fund Savings transfer included in the FY 2015 budget. She added that the General Fund will have to match the grants which go toward the Main Street Project for the DCR and TEA-21 Grant. She explained where the match funding will come from. She also added that the budget does not include a new police car.

Finance Director Hipple explained the Main Street Project and funding. She stated that the Harbor Fund will be putting away \$40,000 in their Long-Term Replacement Reserve. She stated that they've proposed electrical meter station upgrades at the Harbor. She reviewed the operations expenses. She continued to review the Trolley Fund and grants included along with Program Income and the Town's match. She continued on to the Water Fund which is \$1,079,446. She stated that most of their revenue is from Water Rent. She explained that the Water Department is proposing to purchase a mini excavator, new billing software and a transfer to Water Reserve.

- Mr. Spiro Papadopoulos asked about Main Street maintenance. He mentioned grants, however, feels they should set aside money for maintenance. He stated that the Harbor has funds set aside for maintenance. He asked that Council do the same for each fund.

Mayor Tarr advised that there aren't any plans for that this year. He added that they are hoping to complete a life-cycle cost analysis on all of the Town's buildings, parks and infrastructure. He agreed with Mr. Papadopoulos that they need to look at what could happen 10 years down the road.

Mayor Tarr closed the public hearing. He advised that there will be no action at this time and the vote will be at the next meeting, June 19th.

3. Public Hearing on FY "2014" Budget Amendment for Playground Equipment

Mayor Tarr advised that this is a change to include a playground equipment expense in the current budget as discussed at the last Council meeting to be funded by Playground Equipment reserve fund. He then opened the public hearing.

Town Manager Ritter explained how they came up with the amount which totaled \$20,000 to purchase playground equipment. He stated that they would like to have the Recreation and Community Enhancement Committee's recommendation as to what piece of equipment to purchase. He advised that they meet again next Tuesday and will return a recommendation at the

next Council meeting on the 19th. Town Manager Ritter also advised that the Recreation and Community Enhancement meeting would be June 10th at 5:00 p.m.

Mayor Tarr asked if there were any comments or questions from the public regarding moving the funds for the purchase of the playground equipment.

There were no comments. Mayor Tarr closed the public hearing.

Councilman Howard motioned, seconded by Vice Mayor Leonard to approve the FY 2014 Budget Amendment for playground equipment. Motion carried.

Ayes: Leonard, Howard, Richardson, Taylor

Nays: None

Absent: Jester, Muth

4. Resolution on Virginia Retirement System Contribution Rates

Town Manager Ritter explained that this is a housekeeping matter from the Virginia Retirement Systems regarding the retirement rate changes. He added that they didn't phase it in as it was added it in 2 years ago.

Councilwoman Richardson asked if this affected the employees.

Town Manager Ritter advised that this took place 2 years ago and does not affect the employees. He added that it is more for VRS records.

Councilman Howard motioned, seconded by Vice Mayor Leonard to readopt the Resolution on Virginia Retirement System Contribution Rates. Motion carried.

Ayes: Leonard, Howard, Richardson, Taylor

Nays: None

Absent: Jester, Muth



Resolution

BE IT RESOLVED, that the Town of Chincoteague, 55341, does hereby acknowledge that its contribution rates effective July 1, 2014 shall be based on the higher of a) the contribution rate in effect for FY 2014, or b) eighty percent of the results of the June 30, 2013 actuarial valuation of assets and liabilities as approved by the Virginia Retirement System Board of Trustees for the 2014-16 biennium (the "Alternate Rate") provided that, at its option, the contribution rate may be based on the employer contribution rates certified by the Virginia

Retirement System Board of Trustees pursuant to Virginia Code § 51.1-145(I) resulting from the June 30, 2013 actuarial value of assets and liabilities (the “Certified Rate”); and

BE IT ALSO RESOLVED, that the Town of Chincoteague, 55341, does hereby certify to the Virginia Retirement System Board of Trustees that it elects to pay the following contribution rate effective July 1, 2014:

X The Certified Rate of 11.10% □ The Alternate Rate of _____%; and

BE IT ALSO RESOLVED, that the Town of Chincoteague, 55341, does hereby certify to the Virginia Retirement System Board of Trustees that it has reviewed and understands the information provided by the Virginia Retirement System outlining the potential future fiscal implications of any election made under the provisions of this resolution; and

NOW, THEREFORE, the officers of Town of Chincoteague, 55341, are hereby authorized and directed in the name of the Town of Chincoteague to carry out the provisions of this resolution, and said officers of the Town of Chincoteague are authorized and directed to pay over to the Treasurer of Virginia from time to time such sums as are due to be paid by the Town of Chincoteague for this purpose.

John H. Tarr, Mayor

CERTIFICATE

I, Robert G. Ritter, Jr., Clerk of the Town of Chincoteague, certify that the foregoing is a true and correct copy of a resolution passed at a lawfully organized meeting of the Chincoteague Town Council held at Chincoteague, Virginia at 7 o'clock on June 3, 2014. Given under my hand and seal of the Town of Chincoteague this 3rd day of June, 2014.

Clerk

5. Ordinance Committee Report of May 8th, 2014

- **Possible Changes to Chapter 54, Taxation, Article V Excise Tax (Meals), Sec. 54-306, Disposition of Revenue (a) & (b)**
- **Possible Changes to Chapter 22, Environment, Article VII Storm Water Management, Sec. 22-190, Town Subject to County Ordinance**

Councilman Howard stated that this matter came to the Ordinance Committee at the request of the Meals Tax Committee. He explained that 10% is earmarked for tourism. He stated that they agreed to take 5% to go toward drainage or park improvements. He read the changes.

Town Manager Ritter advised that usually the President of the Chamber of Commerce has been on the Meals Tax Committee. He added that normally a Committee member lives on the Island. He informed Council that the past and current President does not live on the Island. He doesn't feel it's an issue. He added that it could be any Chamber member as long as they live on the Island.

There was brief discussion

Town Manager Ritter reminded Mayor Tarr that the Committee requirements state that they have to be an Island resident. He asked if Council wanted to make the change.

Mayor Tarr asked if there were any special rules to change the tax.

Town Attorney Poulson stated that they aren't collecting or imposing the tax they are merely changing the disposition of the tax.

There was further discussion.

Town Manager further explained that in the 10% for tourism, 5% goes to the Chamber and 5% goes to the Center. He added that another 5% has been going to drainage. He concluded that they are proposing to change the other 5% from drainage only to go to drainage or parks and recreation.

Discussion continued to possibly do away with the earmark and vote each year what where it will go.

Finance Director Hipple interjected that years ago Council tried to have a Playground Reserve. She stated that the reserve is sitting there with no money because something else came up.

Council commented.

Councilman Howard motioned, seconded by Councilman Taylor to approve the changes as presented and recommended to Chapter 54, Taxation, Article V Excise Tax (Meals), Sec. 54-306, Disposition of Revenue (a) & (b). Motion carried.

Ayes: Leonard, Howard, Richardson, Taylor

Nays: None

Absent: Jester, Muth

Chapter 54
TAXATION*
Article V. Excise Tax (Meals)

Sec. 54-306. Disposition of revenue

(a) A minimum of ten percent of the tax levied under this article shall be used to promote tourism. ~~The first year's ten percent will be spent to repair the town dock and Veterans Memorial Park. In May of 1990, The~~ mayor will create a committee composed of island residents, one each from ~~the~~ a Restaurant Association, Chincoteague Chamber of Commerce and town council to recommend **disposition** expenditures to the town council of revenues collected **to the town council** after January 1, 1991.

(b) A minimum of 5 percent shall be used for drainage **or park and recreation**-related projects, **determined by Council each year.**
(Code 1977, § 6-49; Ord. of 10-19-2000)

Councilman Howard stated that after discussion the Committee recommended allowing Accomack County to handle storm water management permits within the geographical boundaries of the Town.

Councilman Taylor stated that if the Town doesn't allow the County to do this then the D.E.Q. will.

There was brief discussion.

Town Manager Ritter advised that the state is mandating there will be storm water management controls for surface water runoff beginning July 1st. He stated that the Town can allow the County to do this or the Town could do this. He added that if this is done by the Town someone would have to be certified, devoting most of their time to conduct the inspections. He agreed with staff's recommendations to allow the County to handle this on the Town's behalf.

Brief discussion continued.

Councilman Taylor motioned, seconded by Vice Mayor Leonard to approve the newly created article Chapter 22, Environment, Article VII Storm Water Management, Sec. 22-190, Town Subject to County Ordinance, which allows the County to handle the Town's storm water management permits. Motion carried.

Ayes: Leonard, Howard, Richardson, Taylor

Nays: None

Absent: Jester, Muth

Chapter 22
ENVIRONMENT*
ARTICLE VII. STORM WATER MANAGEMENT*

Sec. 22-190. Town subject to County ordinance.

Pursuant to Code of Virginia, § 62.1-44.15:27, the town shall be subject to the storm water management ordinance of the county, as such ordinance may be in full force and effect from time to time. Such ordinance shall be enforced by the county within the geographical boundaries of the town.

(Effective date of July 1, 2014)

6. Consider a Virginia Tourism Corporation Donation for a Town Park (4 Love Chairs)
Mayor Tarr welcomed Mrs. Shotwell, Director of the Chamber of Commerce.

Director Shotwell advised that the information is included in the packet. She explained that the state's slogan is "Virginia is for Lovers". She stated that there is a "Lovework" campaign where love artwork is created. She feels they can create their own Lovework with rockets, kayaks and ponies. She stated that the chairs have been offered to the Town from the Kiptopeke State Park. She advised of the 4 large chairs with letters on each spelling out the word LOVE. Director Shotwell stated that they are looking for a new home for the 4 chairs. She suggested putting them at the Robert N. Reed Downtown Waterfront Park, the Donald Leonard Park, Chincoteague Veteran's Memorial Park or the Chamber yard. She further explained the marketing advantages. She added that this could be a pin on the map along with additional exposure, advertising along with the press release. She continued to discuss the advantages.

Mayor Tarr added that they can be moved from park to park.

Discussion continued.

Councilman Howard motioned, seconded by Vice Mayor Leonard to approve the donation of the 4 LOVE chairs. Motion carried.

Ayes: Leonard, Howard, Richardson, Taylor

Nays: None

Absent: Jester, Muth

7. Mayor & Council Announcements or Comments

Councilwoman Richardson stated that at the annual Chincoteague Police Bicycle Rodeo there was a little girl who couldn't ride her new bicycle. She advised that 2 of the Town's Police officers took the time to help the child ride the bicycle and before long that little girl was riding the bicycle with the officer running alongside of her. She commended Officers Mills and Greenley for going beyond their duties to help this child. She feels this should be covered in the paper. She advised that the Police Department gave away 5 bicycles that day. She added that they started the rodeo with the funds from the Safe Routes to Schools Program. She also added that this was to teach bicycle safety. Councilwoman Richardson wanted to add that it was a fun and rewarding day. She thanked the Police Department.

Councilman Taylor showed Council a picture of Councilman Howard painted by Mrs. Nancy West. He asked Council's approval, that the picture be framed and put on the wall in the Council Room. He expressed his love and respect for Councilman Howard and stated that he will miss him on Council.

Councilman Howard advised that he took a ride with Public Works Director Spurlock around the Island looking at the roads. He stated that Public Works Director Spurlock explained the roads and repairs. He suggested that Council consider purchasing a mini excavator needed to make the proper repairs to the roads.

Councilwoman Richardson thanked Public Works Director Spurlock for having the Public Works Department clean up the Island Nature Trail.

Mayor Tarr advised that Councilwoman Richardson, Town Manager Ritter and himself will meet with Mr. Bruce Matthews of Matthews Market regarding the grocery store tomorrow. He advised that there will be a grocery store here and opening soon.

Public Works Director Spurlock advised that he will be out of town the last week of June through first week of July.

Town Manager Ritter reminded Council of the special meeting with the Beach Access Committee on June 11th at 9:00 a.m.

Mayor Tarr stated that Mr. Joe McCauley has agreed to meet with the Beach Access Committee. He feels that full Council should be there to ask questions and get to know the plan a little better before the public hearing.

Adjourn

Vice Mayor Leonard motioned, seconded by Councilwoman Richardson to adjourn. Motion carried.

Ayes: Leonard, Howard, Richardson, Taylor

Nays: None

Absent: Jester, Muth

Mayor

Town Manager