

The Smithfield Town Council held its regular meeting on Tuesday, June 7<sup>th</sup>, 2016. The meeting was called to order at 7:30 p.m. Members present were Mr. T. Carter Williams, Mayor; Mr. Andrew Gregory, Vice Mayor; Ms. Connie Chapman, Dr. Milton Cook, Mr. Michael Smith, Mrs. Denise Tynes, and Mr. Randy Pack. Staff members present were Mr. Peter M. Stephenson, Town Manager; Mrs. Lesley King, Town Clerk; Ms. Ellen Minga, Town Treasurer; Mr. Steven Bowman, Chief of Police; Mr. Alonzo Howell, Deputy Chief of Police; Ms. Amy Musick, Smithfield Center Director; Lt. Matt Rogers, Smithfield Police Department; Sgt. Bryan Miller, Smithfield Police Department; Ms. Kristi Jenkins, Smithfield Police Department; Mr. William H. Riddick, III, Town Attorney; and Ms. Judy Winslow, Director of Tourism. There were approximately thirteen (13) citizens present. The media was represented by Mr. Matt Leonard of The Smithfield Times.

Mayor Williams – Good evening ladies and gentlemen. Welcome to the Smithfield Town Council meeting of June 7<sup>th</sup>, 2016. It is now 7:30 p.m. Thank you all for coming out tonight. We appreciate it very much. We have Brian Hines and Bryce Thompson of Boy Scout Troup 36 with us this evening. They will lead us in the pledge. If everyone would please stand, we will say the Pledge.

*All present stood and recited the Pledge of Allegiance to the Flag.*

Mayor Williams – We will start our meeting tonight with the Informational Section with a Presentation for the Smithfield Police Accreditation Award. We have with us Colonel Anthony S. Pike. He sits on the Executive Board for the Virginia Law Enforcement Professional Standards Commission. Colonel Anthony S. Pike was appointed as Chief of the Commonwealth of Virginia, Division of Capitol Police, in Richmond on October 10<sup>th</sup>, 2011. As Chief, he is responsible for the Division's sworn and support personnel serving the Capitol community of the Legislative, Executive, and Judicial branches of Virginia's government, its employees and visitors. Prior to his appointment, he served as the assistant chief for the Division. Colonel Pike, a native of Wythe County, began his law enforcement career in 1988 with the Virginia Department of Game and Inland Fisheries. Colonel Pike served four years in the United States Army and was selected as the honor graduate after attending the Basic Noncommissioned Officer Course. Colonel Pike is a graduate of the 227<sup>th</sup> session of the FBI National

Academy, the 64<sup>th</sup> session of the FBI Law Enforcement Executive Develop Seminar, and the Commonwealth Management Institute.

Councilwoman Tynes – The Virginia Law Enforcement Professional Standards Commission consists of six Chiefs of Police and six Sheriffs. They establish professional standards and administer the accreditation process by which Virginia law enforcement agencies can systematically measure, evaluate, and update in the areas of administration, operations, personnel, and training. The state accreditation program is managed by the State Department of Criminal Justice Services. Participation in the state accreditation program is voluntary. The goals for the accreditation program are: to increase the effectiveness and efficiency of law enforcement agencies in the Commonwealth through the delivery of services; to promote cooperation among all components in the criminal justice system; to ensure the appropriate level of training for law enforcement personnel; to promote public confidence in law enforcement; and to promote the professionalism of law enforcement agencies in the Commonwealth of Virginia. Tonight, we are here to honor the Smithfield Police Department which is headed by Chief Bowman and his staff. They just went through the evaluation with the VLEPSC organization. You all know me. I am an honest person. A lot of people do not particularly care for me because I tell them up front how I feel about things or if I disagree with them. I have to say that we have one of the best police departments in the state of Virginia. I know we are the best in Hampton Roads. As I tell the citizens in Smithfield, I do not want to hear anything about the police department because they are doing their jobs. They have a job that I would not want. We can go to bed at night and be safe because our officers are out there protecting us. We get up in the morning and turn on the television to hear about some other localities. We do not hear about Smithfield. If we have problems in Smithfield, they take care of it. I know they take care of it. Chief Bowman and the staff of the Smithfield Police Department, thank you for all you do for the Town of Smithfield. We are here for you.

Colonel Pike – Mr. Mayor and members of Council, it is an extreme honor for me to be here tonight representing the Law Enforcement Professional Standards Commission. For those that are not aware of the process that law enforcement agencies go through, there is about one hundred police departments and sheriff's departments here in the Commonwealth that are accredited through our state

accreditation program. What that entails is one hundred and ninety standards that the Smithfield Police Department has chosen to put their staff and policies through. Back in March, we did a three day in-depth assessment. We sent a team down. They interview the employees. They look at their policies. They go through their evidence room. They do a ride along with the employees. I can tell you that once the assessment team is done after the three day time frame that they have looked at every inch of the Smithfield Police Department. They look at the budget, evidence handling, policy and all of that. I will tell you that the citizens of Smithfield should be extremely proud of this department, Chief Bowman, and the staff. What it shows is a very transparent police department. They allowed those from across the state to come in and basically go through every inch of the department trying to find any kind of issues. I will also say that Smithfield went through this assessment. There were one hundred and ninety files that were checked and rechecked and there were zero problems. It was one hundred percent which is a rare assessment that we see through the Commission. I applaud Chief Bowman and his staff because it shows they are committed to professionalism. They have very competent employees to serve the community here. Again, it is an extreme honor for me to be here tonight. I would like for Chief Bowman to come forward to present your accreditation plaque. The Certificate of Accreditation states: 'This document certifies that the Smithfield Police Department came before the Virginia Law Enforcement Professional Standards Commission on May 11<sup>th</sup>, 2016 and has met the requirements set forth by the said Commission and is therefore certified as an accredited agency for a period of four years.' This is their fifth award. I will say this; Smithfield has remained an accredited police department since 2000 and that speaks volumes about the commitment of the officers here and the Town Council. It is an honor to be here tonight. Congratulations.

Chief Bowman – Thank you Colonel Pike. We appreciate it. First and foremost, I would like to take this opportunity to thank Colonel Pike for coming down from Richmond to present this award tonight. I would like to thank the Virginia Law Enforcement Professional Standards Commission for working with us so diligently. We do strive to maintain a transparent and professional organization. I gave comments to the Commission about a month ago in Salem, Virginia. I told them, and I used the analogy that I have been on an aircraft carrier before, it is a very, very large ship but

when you look how it is controlled; the tiller is small. It is what controls the entire aircraft carrier. The bottom line of the analogy is that true credit goes to the officers of the Smithfield Police Department, the staff and especially Ms. Kristi Jenkins who is our Accreditation Manager. She does a wonderful job. This is not something that we look forward to and realize we have accreditation coming up in a few months and that we need to get our stuff together in a hurry. It is something that we have to undertake on a daily basis to make sure that the standards are continuously upheld so that we can provide the citizens and the management of the Town of Smithfield the best police department we possibly can. With that, I thank all involved. I thank the citizens of the Town of Smithfield for their support. Thank you, Colonel Pike, for coming down tonight. I really appreciate it. I would like to get a photo with Colonel Pike and our staff please. Thank you.

Mayor Williams – Thanks again everyone. We will now move on to the Manager's Report by our Town Manager, Mr. Peter Stephenson.

Town Manager – Thank you, your Honor. Congratulations. I am just as proud of the Smithfield Police Department this evening as I was back in 2000; great job. The May Activity Report was included in the electronic posting. The only thing that I left off of the June schedule is Olden Days. I am sorry about that. On June 24<sup>th</sup> and 25<sup>th</sup>, we will have Olden Days. I look forward to it with some wonderful, beautiful weather and no rain. Otherwise, we have a full complement of meetings; except that we will not have a Board of Zoning Appeals meeting this month. All other meetings are as noted, per the usual, for the month of June. We have a couple of public hearings this evening so I am keeping it short.

Mayor Williams – Thank you. Are there any questions from Council for the Town Manager? Hearing none, we move to Public Comments. The public is invited to speak to Council on any matter except for the two public hearings that we have. You will be able to speak at those. The comments are limited to minutes per person. Any required response from the town will be provided in writing if you filled out the sign-up sheet and request to do so.

Town Manager – The first sign-up for public comments is Mr. Mark Gay.

Mr. Gay – Good evening. I am Mark Gay of 110 Goose Hill Way. I recognize, fully, that the collective emphasis tonight is on the public hearing for the budget; but I am

compelled to say a few words first about Pierceville. Suffice it to say that no one among our Preserve Smithfield team left Dr. Cook's committee meeting of May 24<sup>th</sup> with a feeling of constructive progress towards a common objective. Certainly, the largely inaccurate article in the Smithfield Times did little to help the situation. There are those among you at the head tables who have stated repeatedly during recent meetings that the town has no history of investing in private real estate properties nor a current inclination to do so. I would like to make a couple of comments about that assertion. First, the town is comprised of more than eight thousand residents and business owners. As our elected and appointed officials, you represent the voice of our town; but that voice is an expression of the public's will which can and frequently does change with time and circumstance. Second, I would point out that the town, that's us, contributed three hundred thousand dollars of our monies to complete the Windsor Castle Park acquisition which was then a private real estate enterprise; after Mr. Luter refused to be gouged any further on his generous contribution. The town, again, us and you, contributed another seven hundred thousand dollars to the South Church Street Beautification Project which immediately benefitted only a few of its citizens but many more directly and indirectly these past few years. The town, still us, is apparently obligated and committed for matching funds for the latest Windsor Castle Renovation and for a substantial sum to support Mr. Luter and Mr. Pope's contribution to the new ball park on the south side. All of us are contributing. Thus, the town can be quite generous when it recognizes the validity of the special request and the potential for long term benefit to residents and visitors alike. So I think, tonight, that the town has my back. I know because a lot of residents of the town have told me that this past week when I say that the town ought to consider the ante of the seventy five thousand to halt continued deterioration of the Pierce home until Preserve Smithfield can accomplish its intended purchase and we will pay you back. The town needs to communicate clearly to the present owners of Pierceville and their attorney that demolition or razing of the Pierce home and outlying buildings is off the table for discussion. The town needs to tell the Delk family that its very historic farmland will be preserved environmentally for our future generations to treasure and enjoy. I am confident in the abilities of our elected and appointed officials to convey those messages accurately on behalf of the town. Lastly, I want to say that over the past sixteen months a number of you on Council and

Planning Commission have asked for viable and fundable options for intensive real estate development to Pierceville. A considerable amount of time, work, and initial monies have gone into providing multiple options but none so compelling as John Burnham and Cliff Slades organic seed working farm to compliment the additional acreage for the Smithfield Winery. I ask once more what Carolyn Torre asked two weeks ago; why can't we work together to accomplish a benefit for the town that would provide blessings for generations to come? Thank you.

Town Manager – Our next sign-up is Mr. Ron Braunhardt.

Mr. Braunhardt – Mayor, we share something in common. Mayor and Council members, I have a couple of comments regarding the Pierceville manor and farm. I refer you to Article 3M Historical Preservation and Overlay District of September 1<sup>st</sup>, 1998. My remarks are in response to Mr. Jones's offer to give the house to the Town of Smithfield and what could be considered a threat that if the offer is refused the owner plans to raze all the buildings in thirty days. When that clock starts; I do not know. Article 3M of your general guidelines for all decisions, sub-paragraph 1 talks about the public necessity of the proposed demolition or use. There is no public necessity for his proposed actions to destroy historical buildings. In sub-paragraph two, it talks about the public purpose or interest in land or buildings to be protected. Preserve Smithfield, Inc. which soon will be applying, like tomorrow, for 501C-3 and is working on the public purpose part of this ordinance requirement but the public interest is irrefutable. This is a home and farm with historic ties to a time before the founding of this great nation and its struggles to become a nation. Sub-paragraph three refers to the historic and architectural value and significance of a particular structure and its relationship to the historic value of the surrounding area. It is a home built circa 1735; arguably, one of the oldest in Smithfield. It has a house, barns, and outbuildings in a town that markets itself as a historic town featuring countless historic homes and architecture. Sub-paragraph 4, refers to the age and character of a historic structure, its condition and its probable life expectancy. The condition and probable life expectancy, I remind everyone in attendance about Mr. Gary Ramsburg at the Public Buildings and Welfare Committee meeting last week, when Gary, a respected and highly experienced restoration expert testified that the Pierceville home is in very restorable condition as opposed to comments made by some people that it is too expensive to repair and should be

demolished. That is just plain hogwash; I'm sorry. Article 3M goes on to say in sub-paragraph four, additional considerations for demolition and razing except as provided by law; no designated landmark building or structure within the historic district shall be razed or demolished without approval by the review board or on appeal by the Town Council. I want to bring your attention to paragraph nineteen which refers to the alternate procedure to demolition or razing which is an offer to sell. The farm is for sale. In sub-paragraph 19-A, it states that in addition to the right of appeal, the homeowner of the designated landmark building or structure the demolition of which is subject to provisions of this article; Pierceville does fall under this ordinance. It shall, as a matter of right, be entitled to raze or demolish such landmark building and structure provided that the owner/applicant has applied to the Town Council for such right. It is inconceivable that anyone on this Town Council or staff would suggest that a home and associated barns and outbuildings of historic pedigree could countenance its demolition or razing. Such threats should be countered with Eminent Domain unless assurances from the owner and legal representatives provide ironclad assurances they would not make any attempt to destroy these important historical structures. I think that falls on you, ladies and gentlemen. Sub-paragraph two states that the applicant has for the period of time set forth a time schedule etc.; a price reasonably related to its fair market value to offer to sell such landmark building and structure pertaining thereto the town or any person, corporation, political subdivision agency which gives reasonable assurance that it is willing to preserve a historical landmark building and structure and the land pertaining thereto, not a half acre; fifty eight acres. Let me interrupt a minute if I could; my own reading. Since the home and tract of land has been zoned as a farm and taxes have been paid for years based on it being a farm, any discussion of Pierceville should include the farmland of fifty eight acres not one half acre made by the offer presented by Mr. Jones. Sub-paragraph 19-A-3 states that no bona fide contract binding hereto shall have executed etc.; this landmark building structure and the land pertaining thereto prior to the expiration of ample time set forth in the ordinance. And that time is, in paragraph D, twelve months when the offering price is ninety thousand dollars or more. Clearly, the sale price of that land right now far exceeds that ninety thousand dollar threshold. What that tells me is that; well, let me back up. With that sale price exceeding the threshold of ninety thousand dollars, we submit that any action on the part of the owner or its

representatives must wait for one year. Preserve Smithfield Inc. is confident that we shall come to an agreement with the owner before that time period. By the way, there was an article in the paper that said that Mr. Jones said that we have not reached out to them. That is absolutely incorrect. I personally called him two different times and their answer back to me was 'we decline.' We decline to have an opportunity to meet with them and to have our historical experts from Virginia meet with them. We are working it. We are trying real hard. Lastly, and I say this with no disrespect intended please; but I have got to say it, I urge great caution on the part of the Council or the town staff on any proposed rezoning actions that could be construed as being done to increase the land value of the Pierceville farm beyond its current farmland status to avoid the appearance of favoritism. Please do not put us in that situation because we are going to fight back. We are not going to roll over. All we are asking for is a down to earth, forthright partnership with the town. We will do the heavy lifting. We will bring in the money; that is already in the works. We are simply asking that we work together not against each other for the benefit of Smithfield and its residents. Lastly, I offer to you if you would like to listen to us, we will come in and do a presentation for you at your request, your time, whatever fits your schedule to show you what our vision and our plan is for the Pierceville manor and farm. We think it is viable. We have bounced it off some pretty smart people in the historic area and in the restoration areas. We think we can make this work. We think we can make it actually profitable in a few years' time. We would like to have the opportunity, if you are interested, to make that presentation to you. Thank you for your time.

Mayor Williams – There are no more signups. Is there anyone else who would like to come up and make any comments? Seeing none, we will close the public comments and move on now to a Briefing by Richard Grice, Isle of Wight County Board of Supervisors, Smithfield District. It is good to see you Mr. Grice.

Supervisor Grice - Good evening to all of you. We had a phenomenal breakfast this morning on the state of the county. I see many of the people that were there this morning are here this evening. I want to thank everybody for being there. By the way, I have been at it since early this morning and I am bone tired. If I stammer a little bit, it is because I am old. At our last Board of Supervisors meeting on May 19<sup>th</sup>, the Board approved the agreement for water and sewer between the Town of Smithfield and Isle

of Wight County for two years. Additionally, the Town Manager and the interim County Administrator are meeting to develop a general outline for the water task force addressed in that agreement. I believe you are meeting this week.

Town Manager – Yes.

Supervisor Grice – Very good. On Monday, May 16<sup>th</sup>, we held a joint intergovernmental meeting with the county, Smithfield, and Windsor to discuss the planned water distribution and transportation network needed by the Western Tidewater Water Authority. This plan will not only impact near term water volumes by county area such as north, south, and middle but has implications on water sourcing for the next decade or more. To date, Mr. Jennings, the Isle of Wight County engineer has not received any recommendations of adjustments to the plan presented at the May 16<sup>th</sup> meeting. Unless something comes to light in the short term, the county plan will be submitted to the Authority on June 14<sup>th</sup>. Additionally, at the May 19<sup>th</sup> meeting, Lee Duncan who is the proprietor of Wharf Hill Brewing Company was awarded the county Entrepreneur of the Year Award. I want to congratulate him on that. I have one other small item that is near and dear to the Town Treasurer's presentation to you in short order. The county Board has approved for fiscal year 2016/2017 a budget that balances without the use of reserve funds or residential property tax increases. Many thanks to our interim County Administrator and staff leadership for achieving this; it has been a long time and many years in coming. Thank you.

Mayor Williams – Our next item is Council Comments. Does any Council member have any comments?

Councilwoman Chapman – Thank you, Mayor. I would like to recognize some local folks that helped at the Windsor Castle Park Beautification Project last Friday. We had planned, on May 21<sup>st</sup>, to do some beautification to the graves located on the Smithfield Station side of the park. Rain kept us from doing that so we rescheduled for last Friday. I just need to give a big thank you to Trail Doctors, Steve Senkovich and Bob Wolfram. We also had Cheri Di Munno, Will Wooley, Debbie Rhodes, Kathy Peterson, and Mary Mitchell who joined me. We fixed up that whole area. It looks fabulous. If you have not had a chance to walk the park and look at it; please do. Thank you.

Mayor Williams – Are there any other Council comments? Seeing none, we will now move to the consent agenda items. There are four. These items were discussed in the May 23<sup>rd</sup> and 24<sup>th</sup> Committee meetings. Would any Council member like to pull any of these for further discussion? Seeing none, we will move to the Police Committee Chair, Mrs. Denise Tynes.

Councilwoman Tynes – Police Committee Summary. Thank you, Mayor Williams. Item C1 is a resolution for appointment/reappointment to the Smithfield Certified Crime Prevention Team. The members serve eighteen month terms ending December 31<sup>st</sup>, 2017 are Officer Clarence Seamster, Kurt Beach, Joseph Reish, and Connie Chapman. Members serving a twelve month term ending June 30<sup>th</sup>, 2017 are Marian Aidan, Martha Jackson, Mary Holmes, Bob Cole, and Joyce Bowser. These are the members they would like to appoint/reappoint to the Smithfield Certified Crime Prevention Team.

Mayor Williams – We now move to item C-2 with Vice Mayor Andrew Gregory.

Vice Mayor Gregory – Water and Sewer Committee Summary. Thank you, Mr. Mayor. Item C-2 is a motion to adopt the amended water and sewer agreement between Isle of Wight County and the Town of Smithfield which was just referenced by Supervisor Grice. We are very excited about the vote and are glad to have it behind us.

Mayor Williams – Absolutely. Thank you. The next item is C-3 with the Finance Committee Chairman, Mr. Randy Pack.

Councilman Pack – Thank you, Mr. Mayor. This evening we have three invoices in excess of ten thousand dollars which require Council authorization. The first is a contribution to Christian Outreach in the amount of fourteen thousand dollars. It is the fiscal year 2015/2016 budgeted amount. The second is to J & B Hartigan for eighty-eight thousand, thirty-nine dollars and eighty-four cents. This is the final payment, most likely, on the Police Evidence Storage Building. I believe there are a couple of change orders coming down the line but this should wrap up ninety-nine percent of the project. The Police Department is very happy and our consultants have reported back that the building is as ordered. Finally, we have something that we do every year for the Smithfield Volunteer Fire Department for run money for thirteen thousand dollars. This is a contribution from the town directly to the Smithfield Volunteer Fire Department. This money is distributed to the volunteers who drive their personal vehicles to make calls in

the town or the county. They are awarded so much per run. This helps to fund that. We are very happy to offer that up this evening. Thank you.

Mayor Williams – We will now move to item C-4 with Public Buildings and Welfare Committee Chairman, Dr. Milton Cook.

Councilman Dr. Cook – Public Buildings and Welfare Committee Summary. We have a motion to award a demolition services contract to WACO, Inc. In the past, the town has had a contract with AVES for demolition services for ten years. AVE has been sold a couple of months ago. We are in need of a new contractor for demolition services. WACO, Inc. was the best response for us. We have a motion to award the demolition services contract to them this evening.

Councilman Pack – I would like to make a motion to approve the consent agenda items as presented.

C1. Resolution for Appointment/Reappointment to the Smithfield Certified Crime Prevention Team.

C2. Motion to Adopt Amended Water and Sewer Agreement between Isle of Wight County and the Town of Smithfield.

C3. Invoices Over \$10,000.00 Requiring Council Authorization:

- |   |              |
|---|--------------|
| a. Christian Outreach Program             | \$ 14,000.00 |
| b. J & B Hartigan (Police Evidence Bldg.) | \$ 88,039.84 |
| c. Smithfield Volunteer Fire Department   | \$ 13,000.00 |

C4. Motion to Award Demolition Services Contract to WACO, Inc.

Councilman Smith – Second.

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

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

Mayor Williams – We now move to the Action Section. The first item is a PUBLIC HEARING: Amended Budget for FY 2015/2016. We will have a staff report by our Town Treasurer, Ms. Ellen Minga.

Town Treasurer – Good evening. This is the time of year where we have to review our current year's budget to see what changes we might need to make before we end the fiscal year to make sure that everything is appropriately handled and budgeted for before our final audit. We are proposing an increase in the General and Highway Funds of \$5,368,288.00 which is significant. Looking at revenues first, there are some positive increases from ongoing operations. Meals tax is on track to increase \$204,150.00 above the original budget. That is an area that just continues to grow. Business Licenses had a \$25,000.00 increase from the adopted budget. Cigarette tax is actually a \$20,000.00 increase. It is not revenue that you particularly celebrate since it is not a healthy habit; but at \$150,000.00 for the year it is noteworthy revenue for the town. With that said, almost all of the proposed budget changes for the current fiscal year are related to two large projects. One is the Pinewood Heights Redevelopment project and the other is the purchase of land and preliminary professional fees for a new ballfield complex. On the revenue side of these two projects, revenue from the federal government is projected to increase by \$679,470.00 which represents Pinewood Phase II Multi-Year II CDBG reimbursements of \$375,280.00. Phase III CDBG reimbursements will be \$302,740.00. When preparing the 2016 budget, we had planned that Phase II would have been substantially completed by the end of 2015 and that Phase III would most likely not really get started until the beginning of 2017. Unfortunately, we had some unforeseen delays in Phase II that are still being resolved. We are still hoping to finish that by the end of this fiscal year. Phase III, meanwhile, has really taken off very quickly. This project has always been somewhat of a moving target through the fiscal years. We know the CDBG grant monies that are allotted. We know what our leverage or obligation is towards the project phases but getting the timeline to cooperate has not always been particularly easy. Under Other Financing Sources, we have an increase of \$3,125,442.00 in contributions of which \$3,025,000.00 is directly tied to the ballfield project. Those funds will be put into escrow and applied towards the construction planned for the FY 2017 budget. There is also \$50,000.00 in the budget for a police motorcycle that was contributed. I am not sure of the status before the end of the fiscal year. Under Loan Proceeds, we are discussing the possibility of a \$5,000,000.00 loan. A portion of it may be drawn by the end of the fiscal year if we go that route. It addresses multiple projects; namely the ballfields, Windsor Castle Park manor house,

outbuildings preservation, completion of the Police Evidence Storage building, and the Main Street water main upgrade. The remainder of the loan is shown in the budget for FY 2017 as the projects progress. Even with this \$5,000,000.00 loan, our debt limit is well below our legal debt margin. I will discuss that more in the proposed 2017 budget. The portion drawn for this year will be used to offset the purchase price and professional fees that we have accumulated so far for the ballfield project as well as to complete the renovation on the Police Evidence Storage building. On the expense side of the budget revisions, public safety increased by \$56,954.00. This line item actually reflects a \$100,000.00 reclassification of money paid to Isle of Wight County for sidewalks on Great Springs Road. We initially had that under Capital but it is really a Isle of Wight County project at this point so we are showing it as an Operating Contribution. This increase was offset by savings in the Police Department budget. The largest was fuel for about \$30,000.00. Gas prices had dropped and stabilized. The Operating Expenses increased by \$1,175,053.00 in Community Development which represents the Phase II and Phase III acquisition and relocation expenses for Pinewood Heights. Again, the reimbursable portion is shown under Revenue Increases previously mentioned. The balance is the town's portion of the leverage. Debt Service shows a decrease of \$455,160.00. We have a \$500,000.00 line of credit that is available for the Pinewood Project through TowneBank. We budgeted \$450,000.00 to be used during FY 2016. The principal portion is basically a wash as it is budgeted as revenue under Financing Sources. It is shown as an expense under Debt Services. This credit line was not used during FY 2016 so it has been eliminated in the proposed budget revisions. Other Financing Uses transfers of restricted reserves of \$3,025,000.00 represents the ballfield contributions that will be moved into escrow. They will reappear in the FY 2017 budget to be used toward Capital Outlay. Under Capital Outlay, under the Treasurer's Department, we show a decrease of \$107,525.00. This is for the MUNIS software conversion that we are currently undertaking. The majority of the project is going to be completed next fiscal year. It has not gone as smoothly as we had hoped. The Police Department had an increase of \$119,972.00. This was for an additional vehicle after one was totaled and also the purchase of Tasers that was previously approved by the Town Council. Public Works had a decrease of \$115,288.00. It was for reclassification for Great Springs Road to the Operating side of the budget. Public Buildings had an

increase of \$397,275.00 for completion of the Police Evidence Storage Building. It was a little above and beyond what we originally anticipated. Parks, Recreation, and Cultural increased by \$1,053,492.00 which was for the purchase of the ballfield property, some of the professional fees already accumulated, and some preliminary professional fees for the boat ramp to be constructed at Clontz Park. Community Development had an increase of \$48,000.00 which represents an adjustment for Pinewood Heights; the land value portion of our acquisitions. The only portion that we capitalize is the value of the land. The rest of it is going to be demolished so it goes under Operating Expenses. That is pretty much it for the General Fund. Under Water and Sewer budget revisions, we reflect an increase in net income of \$115,547.00. There were very few changes to these budgets or that go into this increase. Most notably is a reduction in the Water Non-Operating Expenses of \$70,000.00 for a Well Nest contribution required by DEQ. The town is partnering with Smithfield Foods on the Well Nest but progress was delayed during the 2016 fiscal year because the initial site was deemed unsuitable. This expense is expected to be identified in FY 2017; but that budget line item has been deferred in the 2017 budget until such time as we receive an actual cost. We saved \$70,000.00 this year. We also received \$15,405.00 in insurance proceeds for repairs to the Reverse Osmosis Plant as a result of lightning damage. Expenses in the Water Department decreased by \$31,022.00. There was a large decrease of \$78,909.00 in water tank maintenance for the year as we terminated our contract with Caldwell. They were going out of business in that particular area of their business. They were no longer going to be doing that. This decrease was offset by increases in materials and supplies of \$25,000.00 for water meter readers and replacement parts. We also had \$17,000.00 in professional services for the water treatment plant discharge and analysis and the Well Nest compliance. Under Notes for the Financial Statement for the Water and Sewer Department, Capital Outlay decreased for both water and sewer. Water had two large capital projects deferred. The water line replacement at the Cypress Creek Bridge for \$322,410.00 has been deferred. We did do some repairs to that this year that we thought might mean we could wait longer to do that. The Main Street water main upgrade of \$240,094.00 is reflected in the 2017 budget that has yet to be presented. Sewer had a decrease of \$89,049.00 for some of the sewer consent order capital tasks that were eliminated as the ongoing requirements of compliance went in a different

direction. It is kind of rolled into 2017 for flow monitoring and flow plan review. That pretty much wraps it up. I know it is a lot of numbers. It is really very few items in both budgets that changed but the Capital projects really make a big difference. Does anyone have any questions?

Mayor Williams – We will now have the public hearing for the amended budget for FY 2015-2016. I declare the public hearing open. Is there anyone who would like to comment? Hearing none, I declare the public hearing closed. We will have consideration by Finance Committee Chairman, Mr. Randy Pack.

Councilman Pack – Thank you, Mr. Mayor. Ellen went through all the numbers. This is for the amended budget for FY 2015-2016. Do we vote on this tonight or vote at the continued meeting?

Town Attorney – You vote on the amended budget tonight.

Councilman Pack – At this time, I would like to make a recommendation that we approve the amended budget as presented.

Vice Mayor Gregory – Second.

Mayor Williams – A motion has been made and properly seconded to approve the amended budget as presented. Is there any further discussion? 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 – Our next item is a PUBLIC HEARING: Proposed Budget for FY 2016/2017. We will have a staff presentation by our Town Treasurer, Ms. Ellen Minga.

Town Treasurer – We have, tonight, our public hearing for the 2017 proposed budget. First, I will talk about the General Fund and the Highway Fund. I would like to point out that the budget I am presenting decreased by \$345,558.00 from the budget that was advertised. The reason for that decrease is the reallocation of a portion of Pinewood Heights Phase III expenses to FY 2016. As I said, that project is moving along a lot quicker than we anticipated. I had to slide some of the expenses that we were expecting in 2017 into 2016. It actually increased the 2016 budget and decreased the 2017 budget. When you are comparing the proposed 2017 to the proposed amended budget 2016, we are reflecting an increase of \$3,034,379.00 which is 22.81%.

As far as Revenues go, we are showing an increase of \$72,610.00 in the Vehicle License Tax. We are proposing to raise the town's rate to match that of Isle of Wight County. For owners of vehicles, that means an increase from \$20 to \$33 per vehicle and a decrease from \$20 to \$18 for motorcycles. Those are the largest categories. We are also increasing the Federal Government Grants by \$271,855.00 for total grants of \$953,575.00 next year. This includes \$697,260.00 in CDBG reimbursement funds for Pinewood Heights Phase III. We have \$252,815.00 in reimbursement funds for the boat ramp to be constructed at Clontz Park and \$3,500.00 for police grants. Under Other Financing Sources, our contributions are decreasing by \$3,050,282.00 while escrow reserves for the ballfield are increasing by \$3,025,000.00 as the donations from 2016, that I referenced, will now be escrowed and used in 2017. They kind of show as a wash under the Other Financing because contributions went down but restrictive reserves went up. It is a reserve but it was specifically given for this purpose which is why it is being pulled in that way. The Line of Credit Proceeds are also included at \$500,000.00. This is the full value of a line of credit with TowneBank to be used only for short term cash needs for the Pinewood Heights Project. It allows us to move the project along while waiting for federal reimbursement. We have not actually used the line of credit for the last two fiscal years. As I said before, Phase III is moving very quickly and giving the other large capital projects that we will be undertaking in 2017 the full value of this line was included in the event it would be needed. Also, as mentioned in the 2016 amended budget, we are seeking a possible \$5,000,000.00 loan for various projects throughout the town including the ballfields, Windsor Castle Park, and Main Street water line upgrade. A portion of this loan was budgeted for 2016 with the remainder of the proceeds totaling \$3,597,725.00 included in FY 2017. Just briefly, I will mention because it is shown at the bottom of the General Funds under Highway, we are reflecting a decrease in revenues of \$98,152.00. All of our highway activity is funded by highway road maintenance grants. In FY 2015, we had a carry forward of \$92,152.00 in road maintenance grants that was utilized in 2016. At this time, we are not projecting carry forwards for the end of 2016. If there happen to be any funds remaining at the end of the fiscal year then we will amend the 2017 budget to reflect that. On the expense side of things, this budget does include a 5% increase in employee salaries. I know there has been discussion on that. That is what is currently included in it. It has a total

value of \$269,000.00 of which \$39,000.00 is allocated to Water, Sewer, and Highway leaving \$229,000.00 in the General Fund. This is not just base salary. It includes overtime and on call pay and things of that nature. It is somewhat offset by a decrease of \$29,271.00 in the employer portion of the Virginia Retirement System contributions. Again, \$9,430.00 is spread to Water, Sewer, and Highway. We also have a budgeted reimbursement of approximately \$17,000.00 for overtime worked by the Police Department and Public Works Department for special events. Health and Dental plans remain the same with an increase of 0% for dental and 11.54% for medical. This amounts to an increase of \$53,135.00 to the town and \$16,622.00 to the employees. Departmentally, the largest operating increases are General Government of \$109,418.00. Community Development is \$531,738.00 and Debt Service \$561,608.00. The increase in General Government, I forgot to mention this when I talked about salary increases, also includes a new position for a Human Resources Director that will fall under the Town Manager's Department. The Community Development increase represents the Pinewood Heights Phase III relocation and acquisition costs that I have also highlighted several times previously. The Debt Service represents the \$500,000.00 line of credit also identified under Other Financing Sources in the revenues. I think this can be somewhat misleading because it looks as if we are increasing our debt over a half million dollars over the prior year. In 2016, we removed the line of credit from the budget because we did not use it. In 2017, we budgeted it at full value. It is a short term use of cash, however. It is basically a wash in the budget with the full value of the proceeds shown as revenue and the full value of the principal shown as debt. Only the interest portion paid on the line of credit which we are projecting to possibly be around \$4,000.00, impacts the bottom line. In the past years, we did not show this line item on the income statement at all. It was only on the balance sheet. With some of the recent changes, we are now required to show both the proceeds and the expense side of it if we use it. As far as our debt position goes, I would like to stress that our debt limit is 10% of total assessed value which as of our 2015 audit put us at \$107,900,078.00. Our actual debt as of June 30<sup>th</sup>, 2015 was \$4,548,745.00 most of which is in the Water and Sewer Funds. Since that time, our debt has reduced even more as one loan was paid off in October and a second will be paid off with a final installment in August of this year. This leaves our loan balance at \$3,847,190.00 of which \$2,069,161.00 applies to Water

and Sewer leaving \$1,778,029.00 in General Fund loans. This is prior to the \$5,000,000.00 loan that we are considering but even with that loan we would be at .8% of our legal debt limit. To wrap up the General Fund, under Capital Outlay, the Public Buildings show a decrease of \$583,275.00 as the Police Evidence Storage Building and a smaller storage building behind the Police Department will be completed in FY 2016 and will not be carried forward. Parks, Recreation, and Cultural Events reflect an increase of \$4,892,008.00 for ballfield construction, boat ramp construction, and preservation work at Windsor Castle Park for the manor house and outbuildings. Under Water and Sewer, the proposed budget reflects a combined decrease in net income of \$232,673.00 over FY 2016. This is largely due to an increase of \$172,205.00 in water operating expenses. In FY 2016, we amended the budget to reflect a decrease in the cost of the water tank maintenance from \$100,000.00 to \$26,000.00 because of the termination of the contract. We are currently in the RFP process but we do expect to award a contract during this fiscal year so we increased the budget back up to \$100,000.00 for that line item. Also, the Maintenance and Repair item was increased by \$39,000.00 for water meter maintenance exclusive of water meter replacements. The Annual Operating Cost for the Reverse Osmosis Plant increased by \$31,082.00 of which \$24,282.00 is the estimated increase in HRSD charges for plant discharge. Their rates have been increasing at an average of 8% per year. \$5,000.00 of the Reverse Osmosis increase is related to repairs and maintenance of the plant. Those expenses have started to rise since it has been in operation for several years now. There is a \$1,800.00 increase for travel and training for the three plant operators. In addition to the increase in Operating Expenses, we did have several decreases in revenues such as \$4,800.00 in prorata share fees that are contributed voluntarily by the developers. We have \$15,405.00 in insurance recovery costs that were received in 2016 for lightning damages and \$11,890.00 in reimbursement costs from Smithfield Foods for the Virginia revolving loan related to the James Street Pump Station. This loan has been paid in full. Regarding the footnotes for both Water and Sewer, capital items are expected to increase by \$428,240.00 for water and \$187,674.00 for sewer. The water increase represents the deferred 2016 project to upgrade the water main on Main Street for \$240,094.00 as well as \$148,600.00 in Reverse Osmosis capital replacement items including a \$100,000.00 bypass pump. It also includes \$50,000.00 to update the water

master plan. Sewer also includes \$50,000.00 to update its master plan and \$150,000.00 for flow monitoring and flow plan review. That is all I have unless you have any questions.

Mayor Williams – We now have a public hearing on the proposed budget for FY 2016/2017. I now declare the public hearing open. We have one person signed up.

Town Manager – Yes. We have one gentleman that signed up in advance; Mr. Ken Wager.

Mr. Wager – I live at 215 Keswick Place in Waterford Oaks. I want to first apologize for not being here earlier. I have been in the community about eight years. I have not been involved with the local politics. Recently, I got more involved with the Isle of Wight County situation. The reason I am here is because I am concerned about the town's debt and the tax burden that may place on us. I do want to applaud the fact, in my research with the town's budgets over the last five years, that we have had a surplus. That is a good thing. Ms. Minga's presentation that you are paying debt off is a good thing. We want to continue heading in that direction. I want everybody to value being out of debt. It should be valued because we live in a society that is debt driven. We all know that. So that is a question. Why is being out of debt or debt free not an ideal to aspire to? That is a question we all have to ask for ourselves. Looking at the town's budget for this year compared to last year, before the amended budget that Mr. Pack put together, I applaud not going after tax increases on that of twenty-nine percent in one year. That is quite a lot. I understand that it is capital outlay but it is still twenty-nine percent. Debt Service is going up four hundred and nineteen percent but I understand the presentation that you may not use it. I understand that; but it is still four hundred and nineteen percent. I do not think there is anybody in this room that has increased their own personal finances by four hundred and nineteen percent in debt service in one year. If you have, you can talk to me afterwards. In my pursuit of trying to help Isle of Wight County not increase theirs by providing input and being at certain meetings, I found no one that wanted a tax increase; not one person in Isle of Wight County that I met. I have had dozens of conversations. I would be surprised to find one person in the Town of Smithfield that would want one. So what are the solutions here since I am being critical? It would be something to just criticize but there are examples around our country of fiscal responsibility. I think this is one right here, to be honest with

you, after listening to Ms. Minga's presentation and what I have seen here tonight.

There is a better way. Has anybody heard of Sandy Springs, Georgia? If you have not, you should read up on it. They have been in existence for a little over ten years. They incorporated back in 2006. They accrued \$85,000,000.00 in cash reserves in those ten years. They have not increased their tax rates or fees; not one penny in those ten years. They have no long term liabilities and their tax rates can only be changed by a referendum by voters. There are many other localities; not just them. There are localities around them in the Atlanta area. There are cities and towns around the country. There are even some overseas that are following their example. There are even a couple of books that have been written about them. I would encourage you to buy them and read them because there is a lot of good information in them. I have learned a lot about municipality management by reading some of the chapters in there. I just want you to consider not pushing today's problems on our children and grandchildren. I honestly think, after listening today, the Town of Smithfield is on the right track. I encourage you to keep going in that direction. Although, if you attempt to raise taxes, there is going to be more of us out here. I applaud the fact that you have not raised taxes in over ten years. In fact, I think you lowered it in 2005. My last question is this: when, not if, the next financial crisis hits this great nation of ours what does this town's fiscal emergency plan look like? Do you have a liquidity crisis plan in place? If you do not, your revenues are going to go way down during that crisis and you are going to look to raise taxes on us citizens and that will not go well. I promise you that because there are going to be more people out here talking and protesting for that. I suggest we listen to the people of Sandy Springs, Georgia and what they did and learn from them. If you choose not to, we are still going to go down the road of accruing debt, increasing taxes, and increasing spending. We have all read about many localities and cities around the country going bankrupt; from Detroit to San Bernardino, California to Jefferson County, Alabama and Boise, Idaho. There are many. That is all I have. Thank you.

Mayor Williams – Thank you, Mr. Wager. We appreciate you coming up. Is there anyone else who would like to speak for the public hearing? Hearing none, I will declare the public hearing closed. We will have consideration by Finance Committee Chairman, Mr. Randy Pack.

Councilman Pack – Thank you, Mr. Mayor. I have a couple of comments first. There are a couple of things to talk about in this budget. This budget was a little tough. It was fun to work on if you like budgets which I kind of do, I guess. It was particularly enjoyable because as we look around in our budget and where we needed to be and what we needed to do; we were able to look around to all the department heads within the town and ask for savings here and there. It may have been small. It may have been fifteen hundred dollars here or twenty-five hundred dollars there. Everybody was willing to give up a little bit of something to make this budget work. They did so with a great deal of satisfaction. I was very happy to see the way folks in our town worked together to make our budget work. We also gave a five percent increase in salary to all of our employees; Town Council withstanding. There is no Town Council increase in the budget with no incentive to do so. Many folks have asked why we would give a five percent increase; we do not do that in the private sector. I agree. We do not do it in the private sector. I am in the private sector and that does not happen. When the pay study came out with Isle of Wight County, we looked at how our employees in this town were paid compared to others close by. Most of us felt, after quite a bit of discussion that we needed to look out for our folks. They have looked out for us. They do a good job. You can go to any department in this town and see how well it is run and how the employees cherish their departments. They think a lot of it and a lot of the town. You cannot find that. You cannot ask for that. It does not happen in the private sector every day; certainly in some but not all. It is wonderful to see that. They work hard to keep us together. We did not increase taxes. We did talk about it. It was certainly an easy way to do things. We did not want to increase taxes. There was talk of raising the Meal's Tax. There was talk of raising the Occupancy Tax. All the taxes we talked about increasing, in the proposed budget, mostly fell on the shoulders of people that were visiting. You can make a case that the Meal's Tax does not do all visiting folks. Anybody who eats out from town gets that. Anybody that stays here gets those. The majority of it was not on our residents. The bottom line is that we did not increase any taxes in this amended budget. I almost feel like a liar for saying that because we increased our vehicle fee. Any good politician will tell you it is a fee; not a tax. I do not think there is a whole lot of difference between the two. We did take our Vehicle Tax from twenty dollars per vehicle to thirty-three dollars and there is some little bit of change in there for motorcycles. It is

thirteen dollars per vehicle which gives us about eighty thousand dollars in additional income to the town that we did need. All our folks worked together. I am very pleased with the budget that the Town Treasurer presented. I am very pleased with the budget process this year and how all the departments worked together to make it happen. I am pleased that we are able to offer an increase in salary to bring our employees more in line with the surrounding localities and thank them for their work. Is there any other discussion about the budget before I make a motion?

Councilman Smith – I have a few things. I am sorry. I apologize for not being able to be at the other meeting when the changes were being discussed. I did receive the information. I am seeing that we are not raising the Meal's Tax or the Occupancy Tax. I looked down at your sheet here on how you got around to getting about two hundred thousand dollars and cutting different departments. I see twenty-three thousand dollars just in the Smithfield Center alone in various things that have to be done here. I see cuts in contributions that we typically support. I also see it in the Western Tidewater Free Clinic which I feel is a vital part of the community; especially our community. It benefits a lot of people. We have stood behind them from day one. I feel that as we go in with all of the projects we have, currently, that we need to get behind the eight ball and have some cash reserves. The proposed Meal's Tax represents ten cent on a forty dollar meal. I am not sure what the Occupancy Tax would be; but these figures would allow us to have benefits to address the visiting people who come here. They use our highways. They use our buildings. They use everything. It is an expense to us that we have to incur. I feel that without that extra cash being available, down the road with all these projects going on, we are digging ourselves in a hole if we do not address it.

Councilwoman Tynes – I agree with Councilman Smith. I was at both meetings. I was a little surprised at the second meeting; because I thought when we had the workshop on the budget that we left there in agreement that these were the things we were going to do. I was a little surprised to come back and see that we had gone back to the departments in the town and ask them to cut. I knew nothing about that until we came to the second meeting. I never would have asked them to go back into their budget to cut because that is what they do anyway. We do not have a staff that just says, hey, we are going to take this money that you all give us and just do what we want to do with it. This is the reason why we can sit here and say that we have always

worked with a budget that has been balanced over the years. We are proud of the budget and what our Treasurer does for us. In cutting those organizations that work in our community or in our region on behalf of our community, I have concerns there. One was the Tidewater Free Clinic. They have done a remarkable job in helping people in the community. There are people that have no place to go for medical help. We are fortunate. If you are fortunate to have medical and can go to the doctor using your insurance, it is a value in itself. When you have people and they do not have that option, they go not get medical treatment. They have no place to go. I was on the steering committee that brought that committee to our region to help the people in the region. They do not ask us for a lot but if we choose not to help those people that need help that is going to bring on more problems for our community. It will also be more problems for our Police Department; meaning that it will be more money anyway. I feel that we need to support that original budget. I feel that the one percent increase on the food taxes and the occupancy taxes is something that we need to do. As I said, that is not a direct tax with the citizens that live in the Town of Smithfield unless they choose to go out to eat meals in the town. I am a person that eats a lot of meals out. A lot of times, I eat those meals in other places such as across the James River Bridge or northern Suffolk. I can just buy a sandwich in Hampton, over at the Peninsula Center, which could just be a five dollar sandwich; but by the time they tax it, it will cost me about seven dollars to eight dollars for that one sandwich. In the city of Hampton, it is what they do. They tax the people that are coming out to buy their food. We need to do the same thing in order to support our needs here and our budget. That is all I will say. Thank you.

Councilman Pack – The Western Tidewater Free Clinic's budget is actually seeing an increase in their budgeted contribution over what we contributed in 2015 and 2016. Our Town Treasurer can probably tell you what it was and what it is going to be. We discussed it quite a bit.

Town Treasurer – We contributed thirty-four thousand dollars this year. I think they asked for forty-one thousand, three hundred dollars next year. We split the difference so we will be contributing thirty-eight thousand dollars.

Councilman Pack – So it is a four thousand increase over last year's budget.

Town Treasurer – We actually did not end up cutting Christian Outreach. It did go down but mainly because we had reached that threshold where we were contributing towards the building. It was over a certain number of years. We actually did not decrease it back down to the original value. We still kept it up a little higher; although it is a little bit less. I think we paid fourteen thousand dollars this year and it went down to eleven thousand, five hundred dollars.

Councilman Pack – Currently, the Meal's tax and the Town of Smithfield is six percent with a six percent sales tax which makes it twelve percent. Hampton is at eleven and a half percent which is six percent sales tax and five and a half percent Meal's Tax. We are already higher than Hampton with our Meal's Tax.

Councilwoman Tynes – I do not pay the same when I go to McDonald's. They have another tax over there. I know.

Councilman Pack – They may.

Vice Mayor Gregory – I just want to make one comment. You do not make a lot of friends with budgets. The one thing I want to commend Councilman Pack on as our Finance Committee Chairman is that whether we all agreed; and I guess we will find out when we vote whether we agree, he took ownership. He took the time, effort, and energy to dive through this thing. All of us do not typically always have the time to go through it line item by line item. He took the extra time to come to the table with a solution. Everybody may not like the answer but he brought a solution to the table that enabled us to present options without a tax increase. I appreciate your efforts.

Councilman Pack – Thank you.

Mayor Williams – Are there any other comments?

Councilman Dr. Cook – I am going to say what I have been saying all along which is a lot of our problems with cutting the budget, cutting department numbers, cutting funding to the Smithfield Center, or the increase in taxes comes from the five percent raise for employees. I have been an opponent to the extra one percent since it was first presented. It threw our budget out of whack and we had to start making cuts because of it. I am a proponent for a four percent raise; do not get me wrong, I do not think we should not be giving any raises to our employees. I think they do a knock down job; but we have to be responsible to the rest of the taxpayers which means we have to fund to repair the Center and the other projects. We have to fund, in my opinion, some of the

people that we donate money to such as the Western Tidewater Free Clinic. I can understand the compromise. Just because someone asks for a certain amount of money does not mean we have to fund them all the way. I am actually happy with where the Western Tidewater Free Clinic ended up. I am glad we changed that in our last meeting; but I think if we drop back down to four percent we will be able to go back and fund departments the way they need to be funded. One of the things that kind of bothered me, I was talking about this with someone else the other day about the bump in raises, is that it disproportionately benefits the higher paid personnel. The people that we are concerned with that really need to get some bumps in pay are our laborers and our beginning police officers; the people who make twenty-five thousand dollars a year. One percent is one percent but it is still money. I get it. I know what your argument is going to be. However, it disproportionately benefits the higher paid people. I think, in my opinion, we should drop back down to four percent and reinstitute what we talked about which was merit based raises with legitimate evaluations and legitimate allocations to departments to allow them to give raises to the people that really think deserve it. I will reiterate what Vice Mayor Gregory said about Councilman Pack. It takes a lot to do what you did by sitting down with the numbers and making it all work. That is dedication and is why you are the Finance Committee Chairman. I cannot understand it all to begin with much less go through it and try to make it work; but I have to stand where my heart is. My heart is to fund what needs to be funded and give some raises. They are substantial raises. It is twice what the teachers are going to get this year. It is more than Windsor. Isle of Wight County is not getting any. It is a very substantial raise at four percent. I think if we dropped to that, we would be able to make the rest of this work pretty easily without a tax increase.

Councilwoman Tynes – I think the pay raise started with me as the Chair of the Police Committee. I felt that they needed a raise because of the things that they do for us in this community. They were awarded their certificate tonight. I do not want to repeat myself but when you listen to the news in other jurisdictions with all the things that go on over there; we do not have to wake up in the morning worrying about our vehicles that have been shot up, slashed up, or whatever. We have a department that is there for us. I had asked for that raise for the department. If we want to continue to have a safe community, we have to pay the staff for making it safe. Right now, they needed a raise.

They needed that five percent raise so these officers can live in the community where they work. Quite a few of our officers have to live outside of our community and county because they cannot afford housing here. It is not because they do not want to live here. They just cannot afford to live here. We just wanted to make it so they had the options if they want to live here. They have the right to live here just as we do. They want to live in a safe community also; the community in which they work. I still feel that we need to give them the five percent raise. It came out later that if we do it for the police officers then we have to do it for all staff and I understand that too. We send our officers out for training. It is the one department in the Town of Smithfield where we have to send them out for training for their position. When we send them out for training, they come back and work for us for one or two years. If they do not get a raise then Newport News, Suffolk, Williamsburg has better starting pay. Eventually, they are going to want to go there to take care of themselves and their families. This is what has been happening. We train them and we have to pay to train them but other jurisdictions are benefitting from that training. We are going to lose anyway. We do not have to give them a raise but we are going to lose some of these officers. They will go other places so they can take care of themselves and their family. That is all any of us want to do is to be able to take care of our family; that is it. I do not have any concern with what the county does. It is the county's department and the Board of Supervisors. The School Board handles their department and what raises they give their staff. We have people working for the Town of Smithfield and their yearly income is twenty-two thousand dollars. How many people here can live on twenty-two thousand dollars a year? Some people probably cannot even do that per month depending on your budget. But twenty-two thousand dollars a year, I know I cannot do it. We do not have anyone working for the schools, unless it is a bus driver, at twenty-two thousand dollars per year and we all know that is a part-time position. They are all making more money and that is all we ask for the staff for the Town of Smithfield. As I said, we have nothing to do with the county or the town of Windsor. This is the Town of Smithfield. This is what we owe our staff. That is it. Thank you.

Mayor Williams – Are there any other comments? I will say this; give us three more years and Pinewood will be over with and we are going to be doing really good.

That place is hurting us. We are getting there and it needs to be done. We started that about ten years ago.

Town Attorney – Mr. Mayor, you cannot take action tonight. The appropriate motion would be to defer action until the continued meeting on June 27<sup>th</sup> at 6:00 p.m.

Councilman Pack – Mr. Mayor, I would like to make a motion that we defer action on the budget until the June 27<sup>th</sup> continued meeting at 6:00 p.m.

Councilman Dr. Cook – Second.

Mayor Williams – A motion has been made and properly seconded. Is there any further discussion on deferring this meeting for the public hearing for the proposed budget for 2016/2017? Roll call vote.

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

Mayor Williams – Thank you very much. We will now move to Action Item 3. We will have consideration by Parks and Recreation Chair, Ms. Connie Chapman.

Councilwoman Chapman – Thank you, Mayor. Tonight we have a Motion to Authorize Partial Payment of Construction Costs for a Natural Playground at Windsor Castle Park. Some of the members of the 501c3 Windsor Castle Foundation Board approached the Town Council explaining that they currently have about one hundred and forty thousand dollars raised. They need close to two hundred thousand to get this playscape going. They are asking the town for a sixty thousand dollar commitment that they would be repaying as they raise the funds. This would help them get started on the project. The reason there is a push to get started on the project is that some of the funding is in the form of grants. They have to be utilized by a certain deadline so we do not want to lose that funding. We have a motion to authorize partial payment of construction costs for the natural playground at Windsor Castle Park.

Councilman Pack – Second.

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

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

Smith 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.

Mayor Williams – Our next item is a Motion to Approve the Town Council Meeting Minutes of May 3<sup>rd</sup>, 2016.

Town Attorney – Mr. Mayor and members of Council, I have reviewed the minutes and made some minor revisions and corrections. I would recommend the minutes be approved as revised and corrected.

Mayor Williams – A motion has been made and properly seconded. All in favor say aye, opposed say nay.

On call for the vote, seven members were present. Councilman Dr. Cook voted aye, Councilwoman Chapman voted aye, Councilman Smith voted aye, Councilwoman Tynes 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 – We will now move to New Business. We have a Motion to Accept Nominating Committee's Recommendation to the Circuit Court to fill the Expiring Term of Catherine Bowden (6-30-16) on the Board of Zoning Appeals. Councilwoman Chapman and Councilman Smith were on that committee.

Councilwoman Chapman – We spoke about this and spoke to Ms. Bowden. She has agreed to serve another term. I would like to make a motion to accept the nomination of Catherine Bowden to the Board of Zoning Appeals.

Town Attorney – For the record, let the record show that this is a recommendation to the Circuit Court. The Circuit Court actually appoints the person. You make the recommendation to the Circuit Court.

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 Smith voted aye, Councilman Pack voted aye, Councilwoman Tynes voted aye, Councilman Dr. Cook 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?

Town Attorney – Yes, Mr. Mayor. I have one item. We have an Authorization to Retain the Firm of Pender & Coward in the Amount of \$3,000.00 for the Windsor Castle Manor House Restoration Project. We have formed Historic Windsor Castle Restoration

as an LLC. It is intended to facilitate the creation of tax credits in connection with the restoration of the Windsor Castle manor house. I am not an expert in that field. We have talked to several attorneys. One was in Northern Virginia and was very expensive. We found a local firm, Pender & Coward, out of Suffolk. It is David Arnold and Ross Greene. They helped do the tax credits for the old historic courthouse here and, I believe, they did Historic St. Luke's as well. I have had a long conversation with them. They have sent me a retainer agreement. I would like your authorization to retain them. Their hourly rate is two hundred and fifty dollars and two hundred and twenty-five dollars, respectively which is discounted from their regular rate of three hundred, twenty-five dollars an hour. It requires a three thousand dollar retainer. This will be an expense from the project itself. It is expertise that I do not have; not everyone does. I would ask your consent to retain the firm to do this work.

Councilman Dr. Cook – Just to fill in a little more, the larger firm that Mr. Riddick referred to was very expensive and worked for a percentage of the entire project. We were looking at spending over two hundred thousand dollars with that firm to do that job. We decided we could probably find someone local who might be able to do it for us. I am in favor of it. I would like to make a motion to authorize retaining the firm in the amount of three thousand dollars for the Windsor Castle manor house restoration project.

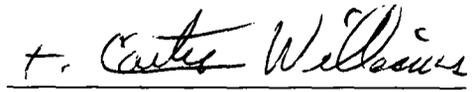
Vice Mayor Gregory – Second.

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 Smith voted aye, Councilman Pack voted aye, Councilwoman Tynes voted aye, Councilman Dr. Cook 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? Hearing none, we will move to Old Business. Hearing none, we do not have a Closed Session. Hearing no other business, we will continue this meeting on June 27<sup>th</sup>, 2016 at 6:00 p.m. Thank you very much.

The meeting was continued until June 27, 2016 at 6:00 p.m.



Mr. T. Carter Williams  
Mayor



Peter Stephenson, AICP, ICMA-CM  
Town Manager