

DAMASCUS TOWN COUNCIL
Minutes for June 6th, 2016 7:00pm
Regular Council Meeting

Council Members Present: Tim Williams, Mitchel Greer, Susan Seymore, Melissa Barrett, and Tom Hayes

Absent: Shirley Brand

Also Present: Jack McCrady, Mayor
Gavin Blevins, Town Manager
Thomas Dene, Town Attorney

Tuesday Pope, Town Clerk
Linda Rouse, Town Treasurer
Kermit Turner, Interim Police Chief

7:00pm: Mayor McCrady called the meeting to order, led the Pledge of Allegiance and gave the invocation.

Mayor McCrady asked for approval of the May Minutes:

- Mr. Williams made a motion to approve the May 2, 2016 Regular Called Council Meeting Minutes as presented, 2nd by Ms. Seymore. The motion passed (5-0).
- Mr. Hayes made a motion to approve the May 18, 2016 Special Called Emergency Council Meeting Minutes as presented, 2nd by Ms. Barrett. The motion passed (5-0).

Mayor McCrady asked for approval of the agenda.

- Mr. Greer made a motion to approve the agenda as presented, 2nd by Mr. Williams
The motion passed (5-0).

* Mayor McCrady opened a Public Hearing to provide information to and solicit comment from the Town's citizens regarding a proposed ordinance to amend the Town's Cigarette Tax Ordinance (Ordinance No. 03-006) to increase the cigarette tax from Ten Cents to Fifteen Cents per twenty (20) cigarettes or fractional part thereof sold.

There were no comments to be heard from the public.

Mayor McCrady closed the Public Hearing.

Mr. Greer asked what the additional revenue earned from the proposed tax stamp increase will be intended for; and stated he would like to see it be used toward providing recreation for the kids in Town such as a skate park, basketball court, etc...

Mr. Dene stated that the ordinance specifies that the revenue from the stamp sales go into the general fund, so the Council can choose to apply it to a specific cause(s) if they wish.

- Mr. Greer made a motion to adopt the proposed cigarette tax stamp price increase, as presented. Mr. Williams 2nd the motion, which passed (5-0).

- Mr. Greer made a motion to dedicate the additional revenue from the tax stamp price increase to the construction of recreational areas (such as a skate park, basketball court, etc...) in Town for the local kids to use. Ms. Barrett 2nd the motion, which passed (5-0).

* Mayor McCrady opened a Public Hearing regarding the proposed budget for the 2016-17 fiscal year.

There were no comments to be heard from the public.

Mayor McCrady closed the Public Hearing.

The proposed budget follows:

**DAMASCUS, VIRGINIA
PROPOSED BUDGET SYNOPSIS
FOR FISCAL YEAR JULY 1, 2016-JUNE 30, 2017**

TOWN OF DAMASCUS BUDGET SUMMARY

| | REVENUE | BUDGET | BUDGET |
|--|---|------------------|------------------|
| | Sources | 2015-2016 | 2016-2017 |
| | Penalty/Interest Income | \$8,500 | \$9,400 |
| | Lodging Tax | \$40,000 | \$45,000 |
| | Meals Tax | \$90,000 | \$110,000 |
| | Real Property Tax | \$216,000 | \$208,000 |
| | Personal Property Tax/State Car Tax Refund | \$32,500 | \$34,500 |
| | Privilege Licenses | \$58,000 | \$58,000 |
| | License Fees | \$13,000 | \$17,000 |
| | Washington Co. Sales Tax | \$42,000 | \$45,500 |
| | Bank Stock Tax | \$5,000 | \$16,000 |
| | Cigarette Tax | \$35,000 | \$35,000 |
| | Solid Waste Lease | \$1,800 | \$1,800 |
| | Fines PD-DMV Reimbursement Wages | \$12,500 | \$11,500 |
| | VA Fireman's Grant/DVFD Misc | \$11,000 | \$11,000 |
| | Litter Control Grant | \$1,000 | \$1,000 |
| | Utility Taxes/Communication Tax | \$54,000 | \$54,000 |
| | General Fund Reserve | 0 | |
| | Misc. Revenues & Damascus Business Group | \$9,700 | \$1,300 |
| | Surplus Property/Loan Proceeds/Line of Credit Advance | 0 | \$30,000 |

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|--|----------------------------------|--------------------|--------------------|
| | VDOT/Beaver Dam Trail | \$328,000 | \$328,000 |
| | Sewer Receipts | 0 | 0 |
| | Sewer Connections | 0 | 0 |
| | Sewer Interest Income | 0 | 0 |
| | Washington Co. Recreation | \$9,000 | \$8,100 |
| | Pool Revenue | \$8,000 | \$4,000 |
| | Beaver Dam Trail Reserve | 0 | 0 |
| | Sewer Reserve | 0 | 0 |
| | Pool Food Sales | \$1,400 | \$1,100 |
| | Town Website | \$3,600 | \$4,300 |
| | Parks & Recreation Misc. | \$1,500 | \$1,500 |
| | Special Events | \$1,000 | \$1,000 |
| | Trail Days | \$60,000 | \$63,600 |
| | Fine Reserve Revenue | 0 | 0 |
| | Rural Development | 0 | 0 |
| | VML Matching Grant | 0 | 0 |
| | Police Dept Grants | \$33,900 | \$33,900 |
| | Housing/Development Grant | \$35,000 | \$35,000 |
| | Total | \$1,111,400 | \$1,169,500 |
| | EXPENDITURES | 2015-2016 | 2016-2017 |
| | Activity | | |
| | Administration | \$274,893 | \$269,526 |
| | Police | \$235,817 | \$256,280 |
| | Fire & Rescue | \$18,200 | \$19,200 |
| | Public Works | \$156,890 | \$201,138 |
| | Parks & Recreation | \$397,550 | \$399,266 |
| | Pool | \$28,050 | \$24,090 |
| | Sewer Plant | 0 | 0 |
| | TOTAL | \$1,111,400 | \$1,169,500 |

- Mr. Williams made a motion to adopt the 2016-17 proposed budget, as presented. Ms. Seymore 2nd the motion, which passed (5-0).

Mr. Dene advised the Council to separately adopt the tax rates for the year.

- Mr. Greer made a motion to continue with the current tax rates for the 2016-17 Fiscal Year, which are: Forty-six cents (\$0.46) per one hundred dollars (\$100.00) of assessed valuation of all taxable real estate; and, fifty-two cents (\$0.52) per one hundred dollars (\$100.00) of assessed valuation of all mobile home, public utilities, personal property, and machinery and tools at one hundred percent (100%) of fair market value. Mr. Williams 2nd the motion, which passed (5-0).

Committee Reports

Budget, Finance and Administration:

Ms. Seymore deferred to the Town Treasurer, Linda Rouse, for the monthly Treasurer's report.

Ms. Rouse submitted the following report:

Taxes: 2016 tax collection rate for real estate is 87.41% and all years is 94.52%. Personal property is 85.72% for all years with \$37,137 outstanding. Notifying taxpayers of any prior unpaid balances after posting 2016 tax payments.

Business Licenses & website renewals: Over 70% have renewed and I am in the process of contacting those that have not renewed.

Flood Insurance Renewal: The flood insurance policy on the Town Hall building & Fire Dept will expire 6-11-16. The current policy is with CSE/American Bankers Insurance Co. of Florida. (National Flood Ins. FEMA) The premium increased \$1215 over last year and will be \$6447 annually with same coverage amount of \$323,700 with 2000 deductible and the new amount was budgeted for 2016-2017. I have obtained a quote from a private company underwritten by Lloyd's London. The annual premium is \$3,533 which is \$2914 per year lower; however the deductible is 2000 or 2% of coverage whichever is greater which would be \$15,680 based on \$784,000 coverage in the event of a loss.

- Ms. Seymore made a motion to purchase the flood insurance policy offered thru Lloyd's, London. Mr. Greer 2nd the motion, which passed (5-0).

Streets, Lights and Maintenance:

Mr. Greer referred to the following report on the department's operations for the month of May, which was submitted by the Public Works supervisor, Joe Fritts:

Washington County now charges for brush disposal. We've always tried to send full loads down to save fuel, but now we must double our efforts to pack the truck. This could also slow us in brush pickup.

Trail Days went smoothly with little problems. Trash was light and we cleared up everything quickly. We've had less mechanical breakdowns this month, but more tree removal due to storm damage. The pool is up and running well with minimal problems.

The shop phone has been dead for two weeks - sorry for any problems this may have caused.

Mayor McCrady added that the dump has a new supervisor and they had started charging the Town's Maintenance Dept. for trash and brush disposal, but after some discussion and negotiations they agreed not to charge for the trash disposal. When the lease for the property (where the convenience

station/dump is located, and is owned by the Town) runs out in 2017, the Town will renegotiate the lease fee for the county and factor in that the Maintenance Dept. is now being charged for usage.

Parks and Recreation:

Mr. Williams mentioned that Trail Days went very well; organizers and participants alike are looking forward to the 2017 festival; and the Auction to benefit The Place (hiker hostel ran by the Methodist Church) raised more money this year than ever before. We also received a letter of appreciation from Mr. Gene Espy, who was an honorary guest this year.

On Sunday July 3rd, Damascus will host its annual Independence Day Celebration in the Park, weather permitting.

This month the Events and Entertainment committee presents: The Crooked Road's Mountains of Music Homecoming Tour. Sunday, June 12th at 2pm, 'The Crooked Road's Guitar Masters' will be held at the Rock School Auditorium; and on Saturday, June 18th beginning at 4pm, 'Beaver Dam Jam' concerts will be held in the Town Park.

Planning Commission: Nothing to report at this time.

Police and Fire Advisory:

Applications for the position of Damascus Police Chief will be accepted until 5pm on June 15th.

Mr. Hayes deferred to Interim Chief Kermit Turner, who delivered the following P.D. activity report for the month of May:

Trail Days went very smoothly and only a few (3) arrests were made.

Operations:

In May 2016, Damascus Officers handled 136 calls for service, issued 7 citations and made 5 criminal arrests. Yearly statistics for 2016 are as follows: 529 calls for service, 19 arrests, 68 offenses, and 122 citations issued.

Traffic Enforcement Activities:

During May 2016, Officers responded to 5 motor vehicle accidents in Town, and issued 1 traffic summons.

Speeding complaint areas include: South Shady Avenue, Douglas Drive, Damascus Drive, and Beaverdam Ave., with special attention being placed on crosswalk areas.

Special Report:

The Damascus Police Department is investigating a large case involving bad checks. There were 13 bad checks written to a local business with a total of \$1449.54, and with fees total \$1774.54. We have been in contact with the Secret Service asking for their help with this case, and are waiting on a call back from them.

Special Notes:

K-9 King was deployed 4 times, with positive alerts on all 4 vehicles, resulting in 2 charges and 1 arrest.

VDOT Work Crew:

The VDOT work crew is on hold due to funding.

Police Vehicles:

We have two vehicles (2013 Ford Explorer and 2015 Dodge Charger) that will need tires very soon. If approved I will order them Tuesday morning and have them placed on the vehicles as soon as they come in.

- Mr. Hayes made a motion to purchase the tires, as requested, 2nd by Ms. Seymore. The motion passed (5-0).

Auxiliary:

All Auxiliary officers are back in full service and were a great asset for our department during Trail Days.

Last week at the Damascus Volunteer Fire Dept. Business Meeting, Kermit Turner was voted in as the Chief of the DVFD, effective July 1, 2016.

Special Committees:

Creeper Trail Advisory Board member Tim Williams reported on an upcoming land transfer that will be necessary for the Creeper Trail/Hwy. 91 crossing/relocation project. A small piece of the land that will be involved in the project is being donated to the cause by the landowner. First the property will be deeded to VDOT, who will retain it until the project construction is finished. After which, they will then deed said property over to the Town of Damascus, if the Council accepts it.

- Mr. Williams made a motion to accept the property deed as discussed, 2nd by Mr. Greer. The motion passed (5-0).

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| Manager's Report |
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Mr. Blevins submitted the following Town Manager's Report:

Beaverdam Creek Trail

The Erosion & Sediment Control Plan has been updated, and submitted to Washington County for approval. I walked the property with Carol Arnold, an Environmental Inspector for Washington County, before Trail Days and answered some questions she had about the project that she was going to report back to Hill Studio. Hill Studio is now in receipt of these notes and will be making the appropriate corrections to the bid documents and project plans.

Regional Planning Grant/ Mount Rogers Regional Initiative

After speaking with our DHCD project representative, I have requested and received invoices for all funds for the close-out of the project. I have initiated the remittance process for all remaining funds – the Town can escrow these funds until products are presented by Arnett Muldrow & Associates. I have been keeping close communication and should have draft products any day now.

Contract closing with DHCD will be on June 30, 2016.

ARC Grant Application

On April 22, the Governor was in Galax and announced the recipients of ARC funds for 2016 and the Town was awarded \$499,908 for our waterfront initiative; HOWEVER, I just heard word that this presentation was premature, as ARC has not had a chance to review DHCD's recommendations for funding (DHCD reviews, then ARC reviews and approves).

So far, no additional requests for information from the Town have been received by DHCD or ARC for this project, unlike 2 other projects in our district that were awarded.

CDBG Grant (Downtown Revitalization Project)

The Environmental Phase 1 was completed, free of charge, and the Combined Notice: FONSI/RROF was sent to the necessary state agencies.

On May 26, I completed the initial compliance review with DHCD to make sure all files and due diligence had been completed per DHCD requirements. I am continuing to complete/amend the necessary documents for our files per DHCD request.

The DHCD contract for our \$659,400 of CDBG funds will be issued on June 03, 2016.

I have already placed an advertisement in the Bristol Herald Courier and sent direct solicitations for A/E Services for the project based on news of issuance of contract.

Community Pathways Project

The next batch of bricks will be shipped from Brick Markers USA on July 29th.

I will be overseeing the contractors and project close-out for this phase.

ARC POWER Initiative

The PDC and I are collaborating with MySWVA and Appalachian Spring to apply for POWER funding from ARC for the Damascus Trail Center concept. The POWER funds from ARC are designed to be used in areas that have been affected by the loss of coal, which includes Washington County (and this IS a regional project). Up to \$1,000,000 is available for each project, a 50/50 match s required for funds, and the Town can use our CDBG funds for this match.*

I have already contacted ATC Directors in favor of the project to make them aware and to help build support. A "task team" has been established by the ATC Board of Directors to complete a record and analyze assets that the ATC currently has in order to determine the feasibility of providing support and staffing for the Center in Damascus. I have requested that this team come and stay in Damascus to in order to get a full understanding of what the Town has to offer.

Website/ Wireless Mesh

Wireless: After preparation in April, no outages were reported to me during the month of May, relating to Trail Days or otherwise. There are still several weak links in the chain that I am aware of though, so I will continue to work on getting the system up to peak functionality.

Website: I have received the updated record of website listings and will be systematically updating the website during the month of June.

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| Attorney Report |
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1. Mr. Dene presented a resolution of appreciation for Senator Carrico and Delegate O'Quinn, on behalf of the Town of Damascus, as requested at the previous Council meeting, to be adopted and signed by the Mayor and Council.
 - Mr. Williams made a motion to adopt the Resolution of Appreciation, as presented, 2nd by Ms. Seymore. The motion passed (5-0).

2. Mr. Dene reported that he and the Mayor/Council members have received complaints referencing unlicensed food booths being set up at various places in Town during the Trail Days festival, which haven't paid a vendor fee like the licensed and approved festival vendors who set up in the Town Park. He advised the Council to study the possibilities for putting new requirements into place that will require all vendors selling/serving food to follow the same guidelines as those in the Park.

Mr. Dene reported the following item for closed session discussion:

- I. Discussion and consideration of prospective candidates for employment as Chief of Police, per VA Code Sec. 2.2-3711 (A)(1).
- II. Consultation with Legal Counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel, specifically involving the claim for unemployment benefits filed by Adam DeBusk, per VA Code Sec. 2.2-3711 (A)(7).
- III. Discussion and consideration of the performance of the Officers of the Damascus Police Department, per VA Code Sec. 2.2-3711 (A)(1).
- IV. Discussion and consideration of prospective candidate(s) for appointment as Town Attorney, per VA Code Sec. 2.2-3711 (A)(1).

Old Business

At this time Mr. Adam DeBusk, who was previously employed by the Damascus Police Dept., was allotted a place on the agenda for the opportunity to speak to the Council about the previous dismissal of his employment with the Town, which occurred in May. Mr. DeBusk was not present.

New Business

- The 1st Monday in July falls on July 4th, so the Regular Called Council Meeting will be rescheduled for Thursday, July 7th.

Council Members Reports

1. Ms. Seymore would like to appoint Melissa Barrett to the Music of Mountains Homecoming board/committee in her place. The Council agreed to have Ms. Seymore replaced with Ms. Barrett on the MoMH Board of Directors.

Citizens Comments

Vicky Van de Vuurst, 106 W. Laurel Ave., commented that the crosswalk sign near her business has been missing for quite some time now and needs to be replaced due to the heavy amount of pedestrian traffic crossing the street there. Also she has noticed that most vehicles/drivers completely ignore the crosswalks and the pedestrians trying to cross. She asked if we could put out cones in the middle of the road at those crosswalks, or something that will encourage drivers to take notice.

Chief Turner stated that he will locate some more pedestrian crossing signs to put back up.

Announcements

- * June 11th - The Living Trees presents 'Music by the River' at the Town Park
- * June 12th - 2pm: MoMH 'Guitar Masters' at the Rock School Auditorium
- * June 18th - MoMH 4-10pm in the Town Park: 'Beaver Dam Jam'
- * June 26th - Iron Mtn 100k Bike Race
- * Town Hall will be CLOSED on July 4th in observance of Independence Day

Consent Agenda

- Mr. Williams made a motion to pay the bills for invoices exceeding \$500, 2nd by Mr. Greer; the motion passed (5-0).
- Ms. Seymore made a motion to pay the bills, 2nd by Mr. Hayes; the motion passed (5-0).
- Mr. Williams made a motion to recess into Closed Session for consideration of the matters previously identified by Legal Counsel, 2nd by Mr. Hayes; the motion passed (5-0).
- Mr. Williams made a motion to return to open session, 2nd by Ms. Seymore; the motion passed (5-0).
- Mr. Williams made a motion to certify, 2nd by Mr. Hayes; the motion passed (5-0).
- Mr. Hayes made a motion to adjourn, 2nd by Mr. Williams; the motion passed (5-0).

Jack McCrady, Mayor

Tuesday Pope, Clerk