

# City Council Meeting

## MINUTES

**Monday, December 11, 2017, 7:30 PM**

Council Chambers, City Hall, 114 North Broad Street, Salem, Virginia 24153

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### 1. Call to Order

A regular meeting of the Council of the City of Salem, Virginia, was called to order at 7:30 p.m., there being present the following members to wit: Byron Randolph Foley, Mayor, William D. Jones, Vice-Mayor, Council members: Jane W. Johnson, James A. Martin, and James L. Chisom; along with Kevin S. Boggess, City Manager; James E. Taliaferro, II, Assistant City Manager and Clerk of Council; Rosemarie B. Jordan, Director of Finance; Melinda J. Payne, Director of Economic Development; Charles E. VanAllman, Jr., Director of Community Development; Mike Stevens, Communications Director; and Stephen M. Yost, City Attorney.

Mayor Foley recognized new Salem Police Officer Alyssa Habermann, and he thanked Salem Police Officer Jared Vincent for mentoring Officer Habermann.

### 2. Pledge of Allegiance

### 3. Bid Openings, Awards, Recognitions

### 4. Consent Agenda

#### A. **Minutes**

Consider acceptance of minutes from the November 27, 2017, regular meeting and special joint work session with the Salem School Board.

Accepted as presented

#### B. **Financial Report**

Consider the acceptance of the Statement of Revenues and Expenditures for the three months ending September 2017.

Received

### 5. Old Business

#### A. **Vacation of Right of Way**

Receive report of viewers and consider ordinance on first reading permanently

vacating an approximate 0.14 acres of unopened right of way of Chamberlain Lane for Salem Wesleyan Church. (As advertised in the November 16, and November 23, 2017, issues of the Salem Times Register.)

Mr. Taliaferro noted that the viewers met and reviewed the petition and recommended approval of vacating this portion of the right of way of Chamberlain Lane. He further noted Council has a copy of the ordinance for their consideration, and that he would be happy to answer any questions they might have.

Mayor Foley asked if there were any questions, and there were no questions regarding the report of viewers or the ordinance.

William Jones motioned to approve the ordinance on first reading permanently vacating an approximate 0.14 acres of unopened right of way of Chamberlain Lane for Salem Wesleyan Church. James Martin seconded the motion.

Ayes: Chisom, Foley, Johnson, Jones, Martin

## **6. New Business**

### **A. Salem YMCA**

Consider approval of the Subordination Agreement with the Young Men's Christian Association of Virginia's Blue Ridge, Inc., in conjunction with a new financing arrangement on the Salem YMCA property.

Mr. Yost noted that he was contacted several weeks ago by Al Knighton, an attorney in Roanoke who represents the YMCA. As Council may already know, in 2001 the City of Salem and the YMCA entered into an agreement where we conveyed to the YMCA in Salem 3.15 acres of real property, and the YMCA agreed to build at least a 60,000 square foot facility. The YMCA built the facility, and it has been quite a success as he understands. In order to finance the construction, they borrowed 9.8 million dollars from SunTrust Bank. In fact the collateral for the loan was the Roanoke City YMCA. At that time, the City retained certain circumstances in which the property would revert back to the City. In addition, SunTrust Bank wanted the City to subordinate its reverter to their mortgage or deed of trust against the property. In other words, SunTrust Bank would be in the first position and the City would be next. So, in 2002, City Council approved this and entered into a Subordination Agreement, the loan was made, etc. Now, the YMCA is going to build a new facility in Botetourt County and as part of this, they are going to borrow approximately 8.9 million dollars from the Bank of Botetourt. The security for this loan will be the Salem YMCA and the Roanoke City YMCA. So, the Bank of Botetourt is requesting precisely what SunTrust Bank did in 2001, and that is so they can make the loan and be in the first position. He further discussed the proposed Subordination Agreement with the Young Men's

Christian Association of Virginia's Blue Ridge, Inc.

James Martin motioned to approve and to authorize the City Manager to sign the Subordination Agreement with the Young Men's Christian Association of Virginia's Blue Ridge, Inc., in conjunction with a new financing agreement on the Salem YMCA property. James Chisom seconded the motion.

Ayes: Chisom, Foley, Johnson, Jones, Martin

**B. Comprehensive Annual Financial Report**

Presentation of the Comprehensive Annual Financial Report for the year ended June 30, 2017.

Ms. Jordan noted with the audit being wrapped up one of the final requirements is that the Audit Report must be presented to the governing body, City Council. She noted Rob Churchman, partner with Cherry Bekaert, was present and would present the Comprehensive Annual Financial Report (CAFR) for 2017 to City Council.

Mr. Churchman appeared before City Council and noted that he had presented the report and his findings to Council at their work session earlier. He is required to render his opinion on whether he thinks it is fairly presented in all material respects. He has rendered that opinion - an unmodified opinion that in all material respects the statements were fairly presented in accordance with generally accepted accounting principles. He further discussed the requirements with regards to the City's CAFR.

Mayor Foley thanked Mr. Churchman for his assistance, and he also thanked Ms. Jordan and her staff for putting the report together and assisting in getting everything needed for the audit.

Received as presented

**C. Riverside Fill Site**

Consider setting bond for erosion and sediment control for Riverside Fill Site.

**Audit Finance Committee**

Vice Mayor Jones noted that the Audit Finance Committee met to discuss this item. The Riverside Fill Site is the property behind the bowling alley and old driving range and dog park on Apperson Drive. The Committee reviewed the estimate for erosion and sediment control for the site and concurs with the City Engineer's office recommendation that bond be set in the amount of \$22,330 and a time frame for completion set at twelve (12) months.

Mr. Van Allman noted that the owners are planning to fill this property with approximately 15-16 feet of soil material to elevate it for a building. Staff does not know exactly what the plan is for the property at this time, but it is part of the marketing for the property. Once this is done, it will be less susceptible to flooding from the river. They will have to stay out of the floodway, which they are required to do, and the erosion and sediment control bond is to make sure everything is done correctly so there is no major sedimentation or siltation of the river.

Mayor Foley asked if the property owners have granted the right of way for the greenway. Mr. Van Allman noted that the plat has not been signed yet, but they have agreed to grant an easement. Mayor Foley asked if this project would affect the granting of the easement. Mr. Van Allman noted that this will not affect it, and once we have all the plats put together they are going to deed the City a 30' easement for the Roanoke River Greenway, which will be outside the fill area. There was further discussion regarding the site fill project.

William Jones motioned to approve the bond for erosion and sediment control for the Riverside Fill Site. James Martin seconded the motion.

Ayes: Chisom, Foley, Johnson, Jones, Martin

#### **D. Boards and Commissions**

Consider various appointments on boards and commissions.

Jane Johnson motioned to appoint Robert S. Fry, III, to the Board of Appeals (USBC Building Code) with a term ending on January 1, 2023; to reappoint Byron R. Foley, Member, and Melinda Payne, Full-time Alternate, to the Total Action for Progress Board with terms ending on January 14, 2020, and January 31, 2020 respectively; to appoint Mike McEvoy as a Citizen-At-Large Member to the Roanoke Valley Broadband Authority for a four-year term ending December 13, 2021; and to appoint William D. Jones, James E. Taliaferro, II, and April M. Staton as Members and Bryon R. Foley and Rosemarie Jordan as Alternates to the Western Virginia Regional Jail Authority for a one-year term ending December 31, 2018. James Chisom seconded the motion.

Ayes: Chisom, Foley, Johnson, Jones, Martin

#### **7. Closed Session**

#### **8. Adjournment**

The meeting was adjourned at 7:51 p.m.