

City Council Meeting MINUTES

Monday, June 12, 2017, 7:30 PM

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

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, (absent) Council members: Jane W. Johnson, James A. Martin (absent), 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.

2. Pledge of Allegiance

3. Bid Openings, Awards, Recognitions

A. Salem High School Forensics Team

Consider adoption of Resolution 1321 commending the Salem High School Forensics Team for winning the 2017 Group AA State Championship.

Mayor Foley noted that City Council is recognizing the Salem High School Forensics Team this evening for winning the 2017 Group AA State Championship. Because it is near the end of school, the School Board is also here this evening to recognize the team as well.

Mayor Foley presented the following resolution:

WHEREAS, teaching and learning form the foundation of a school's endeavors; and

WHEREAS, Coaches Mark Ingerson and Pam Carter led a formidable forensics competition team at Salem High School to its 12th consecutive state championship, the second longest streak in Virginia High School League history; and

WHEREAS, the team's 36-14 victory over EC Glass High School was fueled by 11 students who advanced to the tournament's final round, accounting for five state championships out of ten events; and

WHEREAS, the team was led by Captains Emma Studtmann and Alayna Johnson,

who won individual state championships in Prose Interpretation and Humorous Interpretation respectively, Emma's second consecutive state championship and Alayna's first, continuing Salem High School's domination in Humorous Interpretation with nine consecutive state championships in the category; and

WHEREAS, senior Kyle Fauber won the state championships in Storytelling, his first state championship; and

WHEREAS, junior AnnElese Galleo won the state championship in Serious Dramatic Interpretation, her second individual state title; and

WHEREAS, sophomore Adalynn Eller won her first individual state championship in Poetry Interpretation, and

WHEREAS, Salem students claimed the runner-up spot in three of the remaining five event categories, including senior Sydney Pettit in Prose Interpretation, junior Rachel Massey in Storytelling, and sophomore Charlie Wallace in Impromptu Speaking; and

WHEREAS, sophomores Abbie Coleman and duo Phoebe Stevens and Ashby Garst scored points for the team by placing third in Original Oratory and Humorous Duo respectively; and

WHEREAS, juniors Samantha Kennedy, Moss Stratton, Samantha Hoyer, and Jordan Barker, and freshmen Meredith Hicks and Emma Painter supported the team by advancing to and competing in the state tournament; and

WHEREAS, Alex Perdue, Rachel Chaos, and Skyler Allen supported the team's successful season by competing in the regional tournament; and

WHEREAS, Katie Conklin provided support to the team throughout the season in her role as team manager; and

WHEREAS, the Salem High School Forensics Team brought recognition, honor, and pride to Salem High School and the City of Salem; and

WHEREAS, the City of Salem believes that strong extracurricular activities are an integral part of its educational program; and

WHEREAS, the City of Salem believes this team represents the school division's most essential functions of teaching and learning;

NOW THEREFORE BE IT RESOLVED, that the City of Salem hereby expresses its congratulations and appreciation to Mark Ingerson, Pam Carter, and the members of the Salem High School Forensics Team for their accomplishments; and

BE IT FURTHER RESOLVED, that a copy of this resolution be presented to the coach and each team member and that a copy be placed on display at Salem High School.

2017 GROUP AA STATE FORENSICS TEAM CHAMPIONSHIP

City Council and School Board members presented the members of the team with copies of the resolutions, a Championship pin, and other gifts. City Council congratulated the coaches, students and their families for winning the state championship again.

Jane Johnson motioned to adopt Resolution 1321 commending the Salem High School Forensics Team for winning the 2017 Group AA State Championship. James Chisom seconded the motion.

Ayes: Chisom, Foley, Johnson

Absent: Jones, Martin

4. Consent Agenda

A. **Minutes**

Consider acceptance of minutes from May 22, 2017, work session and regular meeting.

Approved

Absent: Jones, Martin

B. **Financial Report**

Consider the acceptance of the Statement of Revenues and Expenditures for the ten months ending April 2017.

Received as presented

Absent: Jones, Martin

5. Old Business

A. **Amendment to the Zoning Ordinance**

Consider ordinance on second reading, the request of Jasbir S. Mavi, property owner, for rezoning the property located at 1656 Woodhill Lane (Tax Map # 239-1-8) from AG Agricultural District to RSF Residential Single Family District. (Approved on first reading at the May 22, 2017 meeting.)

Jane Johnson motioned to adopt the ordinance on second reading, the request of Jasbir S. Mavi, property owner, for rezoning the property located at 1656 Woodshill Lane (Tax Map # 239-1-8) from AG Agricultural District to RSF Residential Single Family District. James Chisom seconded the motion.

Ayes: Chisom, Foley, Johnson

Absent: Jones, Martin

6. New Business

A. **Closed Session**

Hold a closed session in accordance with the provisions of Section 2.2-3711A(29) of the 1950 Code of Virginia, as amended for the purpose of a discussion concerning publicly held real property and the award of a public contract where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the City.

Mayor Foley noted that this item was discussed in the work session so this item has been dropped from the meeting's agenda.

B. **Parkway Brewing Company, LLC**

Consider approval and authorize the City Manager to execute the Performance Agreement between Parkway Brewing Company, LLC, the Economic Development Authority of the City of Salem, Virginia, and the City of Salem.

Mr. Boggess noted for clarification we also have Item F, which looks like the same thing, but it is the actual Governor's agreement, and the City is a party to this as well. So a lot of what we talk about with regards to Item 6B will also reflect in Item 6F. Mayor Foley asked if Council could consider them together. Mr. Yost noted that they could be considered together. Mayor Foley noted that they will consider both items at this time.

Mr. Boggess noted that with regards to Item 6B, the Parkway Brewing Company Performance Agreement, there have been a couple of changes from the agreement sent out in Council's packet. He noted he wanted to highlight the essence of the agreements. In Section 1 - Obligations of the Developer, he noted he wanted to make it clear that the agreement is between the City of Salem, the Salem Economic Development Authority, and Parkway Brewing Company. It also references the Governor's Grant as well. This is a total of two \$150,000 grants to the brewery. He noted that looking at Section 1.2 the requirement is that Parkway Brewery or the Developer must spend at least \$750,000 of which approximately \$675,000 must be invested in machinery and equipment and the remaining \$75,000 will be invested in improvements to the property. He further noted that Section 1.6 has also been

changed a little. This section notes that the Developer shall utilize the words, "Salem, VA" or other mutually agreed upon language and/or the use of the official City seal on all instances of logos or branding used by the Company. He noted that they currently use this in most of their logos. This has been changed slightly - we have added the words "to the extent reasonably practical (e.g. if it can't be embroidered). In Section 1.7, the time has been changed from five (5) years to three (3) years. And the same in Section 1.8, where they would agree to participate in "Parkway Downtown" or similar mutually agreed upon series of events in collaboration with the City. This has been changed from a period of five (5) years to a period of three (3) years. Section 1.9 language has been added in that if the brewery is sold to one of the top five grossing beer producing companies in the country, the EDA would be refunded the entire \$150,000. But if it were sold to a smaller regional brewery, they would not have to pay back the money.

Mr. Yost noted that in Section 1.5 the Developer will maintain its operations and business in the City of Salem for at least five (5) years. There was further discussion regarding this section. Mr. Boggess noted that there were some changes to Section 10 Assignment and Section 18 Agreement Subject to Funding and he further discussed those changes.

Mr. Boggess noted with regards to the Governor's agreement, which is very similar to the City's agreement, it spells out more with regards to the jobs created, target jobs and the need to retain jobs and measure them. The City's agreement references this and that Virginia Employment Commission reporting is required to justify the data. He further discussed the Governor's agreement. He noted that the terms of the agreement and the \$150,000 are similar to the City's agreement and again, we are a party to this agreement. Mayor Foley noted that they have to purchase a certain percentage of Virginia-produced grains. Mr. Yost noted that this is correct. They will be required to purchase 7,000 pounds of Virginia grown agricultural products or something to that effect. Further, he added on the Governor's grant performance agreement, neither the Governor or the Commonwealth are parties to this grant. The grant actually comes to the City of Salem, and the City will then transfer this money to the Economic Development Authority. The Authority will pay out the Governor's grant in the same manner that the City's grant is paid out. Mayor Foley asked when the Economic Development Authority will be meeting and Mr. Yost noted that they are meeting this Wednesday.

Mr. Yost noted if it is Council's desire to approve the updated City's performance agreement and the Governor's grant performance agreement, he would suggest the approval be subject to the potential amendment and approval of the City Manager and City Attorney. He noted there may be a few grammatical things that might need to be changed.

James Chisom motioned to approve and authorize the City Manager to execute the

updated Performance Agreement between Parkway Brewing Company, LLC, the Economic Development Authority of the City of Salem, Virginia, and the City of Salem and the Governor's Agriculture and Forestry Industries Development Fund Performance Agreement subject to potential amendment by the City Manager and the City Attorney. Jane Johnson seconded the motion.

Ayes: Chisom, Foley, Johnson

Absent: Jones, Martin

C. Chestnut Manor Parking Improvements

Consider setting the bond for physical improvements and erosion and sediment control for Chestnut Manor Parking Improvements. **Audit-Finance Committee**

Mrs. Johnson noted the Audit Finance Committee met and reviewed the estimate for physical improvements and erosion and sediment control for the Chestnut Manor Parking Improvements. The Committee concurs with the Engineering Department's recommendation that bond be set in the amount of \$14,845.00 and a time frame for completion set at twelve (12) months.

Jane Johnson motioned to approve the bond for physical improvements and erosion and sediment control for Chestnut Manor Parking Improvements. James Chisom seconded the motion.

Ayes: Chisom, Foley, Johnson

Absent: Jones, Martin

D. Funding for Roanoke River Greenway Project

Consider request to appropriate Regional Surface Transportation Program funds for Roanoke River Greenway project. **Audit - Finance**

Mrs. Johnson noted Phase 5 of the Roanoke River Greenway will complete a bicycle and pedestrian bridge over the Roanoke River at Eddy Avenue. Construction is anticipated to begin in the summer of 2017. In addition to funding already appropriated, VDOT awarded an additional \$226,514 in RSTP (Regional Surface Transportation Program) funds for the completion. No local match is required. The RSTP funds, along with funds already appropriated, will allow us to construct the bicycle and pedestrian bridge over the Roanoke River at Eddy Avenue. The Audit Finance Committee reviewed the request and recommended appropriating the additional RSTP funding for Phase 5 of the Roanoke River Greenway.

Mayor Foley thanked Mr. VanAllman and the Community Development Department for acquiring the funding for this project.

Jane Johnson motioned to appropriate Regional Surface Transportation Program funds for Roanoke River Greenway project. James Chisom seconded the motion.

Ayes: Chisom, Foley, Johnson

Absent: Jones, Martin

E. Transfer Station Final Budget Adjustments

Consider request to amend General Fund budget and close out accounts related to City of Salem Transfer Station. **Audit-Finance Committee**

Mrs. Johnson noted a budget amendment is needed to make final adjustments to the revenues and expenditures related to the Transfer Station operations. Joining RVRA has resulted in budget savings for the City, so additional funds will be transferred to various City accounts. The Committee reviewed the request and recommends adjusting Transfer Station revenue and expenditure accounts per Attachment A. She asked Mr. Boggess if he could explain this further.

Mr. Boggess noted when the City considered joining the RVRA lots of analysis and deliberation went into the decision to do this. We are coming up to the end of our first physical year, and it appears that the decision to join the RVRA has been financially advantageous to the City but not only that he believes that the relationship Mike Tyler has developed and their willingness to work with us to make this operation work has been to our benefit. There have been a few bumps in the road as we would expect. We have some issues with commercial construction material right now, which is having to be transported to Roanoke. This is creating an inconvenience for some of our folks. But over all this is a very strong relationship that is having a positive financial impact on our operating budget as well.

Jane Johnson motioned to amend the General Fund budget and close out accounts related to City of Salem Transfer Station. James Chisom seconded the motion.

Ayes: Chisom, Foley, Johnson

Absent: Jones, Martin

F. Parkway Brewing Company, LLC - Grant Agreement

Consider approval and authorize the City Manager to execute the Governor's Agriculture & Forestry Industries Development Fund Performance Agreement between Parkway Brewing Company, LLC, the Economic Development Authority of the City of Salem, Virginia, and the City of Salem.

Supplemental Item

This item was combined with Item 6B.

Absent: Jones, Martin

G. Boards and Commissions

Consider appointments to fill vacancies on various boards and commissions.

Supplemental Item

James Chisom motioned to reappoint Jane Johnson and Bill Jones to the Roanoke Valley Transportation Planning Organization (RVTPO) Policy Board for a three-year term effective June 30, 2017; to appoint Major April M. Staton to the VASAP Policy Board to fill the unexpired term of Sheriff Eric A. Atkins ending July 1, 2019; and to reappoint William R. Shepherd to the Personnel Board for a two-year term effective June 9, 2017. Jane Johnson seconded the motion.

Ayes: Chisom, Foley, Johnson

Absent: Jones, Martin

7. Closed Session

A. Closed Session

Hold a closed session pursuant to provisions of Section 2.2-3711A(1) of the 1950 Code of Virginia, as amended, to discuss a personnel matter(s).

Hold a closed session pursuant to provision of Section 2.2-3711A(3) of the 1950 Code of Virginia, as amended, to discuss property the City may wish to sell.

This item was dropped from the agenda as it was not needed.

8. Adjournment

The meeting was adjourned at 7:58 p.m.

Footnote

OPEB Trust Board - Local Finance Meeting at 8:00 a.m. City Manager's Conference Room

Audit - Finance Committee Meeting, 8:30 a.m., City Manager's Conference Room

Work Session Meeting, 6:30 p.m., City Manager's Conference Room