

June 18, 2012

**KILMARNOCK TOWN COUNCIL
Monday, June 18, 2012
Town Hall
Kilmarnock, VA**

Regular Meeting Minutes

1. Call to Order:

Mayor Booth called the Regular Meeting to order at 7:00 pm with the following Councilmembers present:

Raymond C. Booth, Jr., Mayor
Shawn Donahue
Emerson Gravatt

Paul S. Jones
Rebecca T. Nunn
Mae P. Umphlett

Members Absent:

William L. Smith, Vice-Mayor

Staff Present:

Tom Saunders, Town Mgr.
Susan Cockrell, Asst. Town Mgr.
Paul C. Stamm, Jr., Town Attorney
Cindy Balderson, Town Clerk
Joan N. Kent, Transcriber
Michael S. Bedell, Chief of Police

Mayor Booth welcomed Kilmarnock residents, business owners, and guests and then led the recital of the Pledge of Allegiance.

2. Acceptance and Approval of Agenda

ACTION: Councilmember Donahue made a motion to approve the agenda as presented, seconded by Councilmember Umphlett; and carried unanimously.

3. Minutes: Approve, Correct, or Amend the Minutes of the Regular Town Council Meeting held May 12, 2012.

ACTION: Councilmember Nunn made a motion to approve the May 2012, 2012 Town Council Meeting Minutes as presented,

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seconded by Councilmember Donahue; and carried unanimously.

4. Public Comments and Presentations:

Mayor Booth invited members of the audience to address Council with any issues or concerns that were not scheduled for public hearing. Mayor Booth asked that comments be limited to 3 minutes per person.

A. Mr. Bob Smith of 431 Kenmore Avenue, Kilmarnock VA said that he had questions about the proposed budget. Mr. Smith stated that there was a lot of "to-do" about the capital expenditures and quite honestly when he saw the figures presented to him in a letter, he was upset. Mr. Smith's questioned why there was so much money being spent on capital improvement and how the Town had gotten itself in this position. Mr. Smith asked Mr. Donahue if he would address his question.

Mayor Booth replied that this was not the proper forum for Councilmembers to be questioned but added that if a Councilmember wanted to comment on any statements made by the public, they could do so.

Mr. Smith said that there was a hundred percent increase in capital expenditures, which was a lot of money. Mr. Smith wondered if capital improvements were being mandated by the State. Mr. Smith advised that he was on Town Council when the WWTP was put in and recalled that before it was up and running the EPA had come in with a set of new standards whereas the plant couldn't even measure the parts per million much less get rid of them. Mr. Smith said that he was just wondering if that was what was happening now.

Councilmember Donahue asked the Mayor if he wanted him to address this issue.

Mayor Booth advised Mr. Donahue that he did not have to because the protocol for this forum did not include the public questioning the Councilmembers but reiterated that Councilmembers could freely comment on Mr. Smith's statements and accommodate him by answering his question.

Mr. Smith said that his basic concern was that an extravagant Town Council spent money on capital expenditures but if it was something being dictated to the Town then they had no choice and should explain where it came from.

Councilmember Donahue replied that at the last Council meeting he voted against the proposed budget because he didn't want it to be rubberstamped. Mr. Donahue said that the local newspaper interviewed him and Town Manager Saunders and the story was told. Mr. Donahue stated that the Town did have a short fall now and would have one every year going forward. Mr. Donahue advised

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that after talking with the Town Manager he did realize that the Town was going to have to spend some money on its infrastructure. Mr. Donahue stated that there was not a lot of money being spent on added projects. Mr. Donahue said that these were things that had been deferred and the Town was using its reserves but the people of Kilmarnock needed to know that if they continue to spend at this current rate, something was going to have to happen.

Mr. Smith asked if it was true that there was more revenue coming in since the plant had been enlarged.

Councilmember Donahue said that he would have to refer that question to Councilmember Nunn who chairs the Water/Sewer Committee.

Mr. Smith said that he wasn't trying to mess up the Council meeting but was really curious.

Mr. Donahue said that what he tried to do by voting against the budget was to make people aware that the Town did have a potential problem based upon federal and state requirements for the operations of water/sewer, overcapacity, and a customer base that was not large enough.

Mr. Smith asked if the Town would be able to bring in other jurisdictions such as Indian Creek.

Councilmember Nunn addressed the question by saying that for over twenty years, the Town's water/sewer system had not been self-sufficient and the water rates were not raised. Mrs. Nunn stated that these capital expenditures were to repair the lines, put in new lines, get the lift stations where they were supposed to be, and to get the new generators that were needed. Mrs. Nunn said that these projects would not be on-going for another ten years. Mrs. Nunn estimated that the Town would have everything where it should be within the next two to five years. Mrs. Nunn advised that the water/sewer system was in the best shape that it had ever been.

Mr. Smith advised that when he was on Council, it seemed that the Town was fixing pipes every single week by putting patches on them.

Councilmember Nunn advised that now the Town was replacing the whole line when there was a leak. Mrs. Nunn stated that this was not an ongoing thing and that they were not going to break the Town with these capital expenditures but added that they had to get the water/sewer system where it was supposed to be.

Mr. Smith asked how deeply the Town had gone into its reserves.

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Councilmember Nunn replied that the Town had six million dollars in reserves.

Mr. Smith replied that it wasn't like the Town was scraping the bottom of the barrel.

Councilmember Nunn replied that they were not and added that the Town was way over what it should have in reserves. Mrs. Nunn finalized by saying that the Town was in good financial shape.

Mayor Booth thanked Mr. Smith for his comments.

B. Mr. Bill Warren of 4690 Black Stump Road in Weems VA, President of Partners for the Lancaster County School Foundation and who built Mercer Place was present to give a quick update on the project. Mr. Warren stated that two years ago, the foundation had approached Council to ask if the land for Mercer Place could be rezoned. Mr. Warren said that there were concerns at that time and their rezoning request passed by a three to two vote. Mr. Warren advised that Mercer Place had been open one year now and they wanted to be a good neighbor which he thought they were. Mr. Warren stated that Partners for the Lancaster County School Foundation were non-profit. Mr. Warren said that they started the project to build affordable housing for teachers, nurses, and people of that category. Mr. Warren advised that the complex had been full since it was opened last July. Mr. Warren said that the cost to build it was around two million dollars. Mr. Warren stated that currently the complex housed thirteen teachers, a RGH nurse, a community services board counselor, two health care workers, and two private employers from the Town of Kilmarnock. Mr. Warren said that Mercer Place was not government assisted housing. Mr. Warren advised that in order to be an eligible resident, a person had to make at least \$32,194 per year and could not make more than \$84,150 per year because they had a VHDA loan which required the annual salary to fall within that range. Mr. Warren said that the public assisted housing found in Kilmarnock and throughout the county required an annual salary of not more than \$28,000. Mr. Warren advised that all occupants of Mercer Place were employed and most were school teachers. Mr. Warren stated that the rent was \$677.00 per month and included water/sewer. Mr. Warren said that they paid the Town directly for water and sewer for the whole unit which was approximately \$10,000 per year. Mr. Warren stated that their rent was approximately \$162 a month below VHDA fair market rent for an apartment with two bedrooms and two bathrooms. Mr. Warren went over the current board members, which included Emerson Gravatt, Jason Bellows, and Gerald Sellers whom was placed on the board because he lived in the neighborhood. Mr. Warren said that Mr. Sellers had attended every meeting and knew every resident at Mercer Place personally. Mr. Warren went into demographics by saying that Lancaster County was oldest county in the State of VA. Mr. Warren said that 37% of the people living in Lancaster were over 62 years old. Mr. Warren advised that the population of the county had gone down by 1.5% in the last 10 years. Mr.

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Warren stated that 4.7% of housing in Lancaster County was multi-family and State wide it was 21.3%. Mr. Warren advised that in the Town of Kilmarnock, 34.1 % of the citizens were over 64 years old. Mr. Warren stated that the largest age group in Town was over 80 years old. Mr. Warren said that the Town's population increased by 19.5 % over the last ten years. Mr. Warren stated that they had sixteen units at Mercer Place and the 2010 census showed there were 68 persons in the age category 21 to 29 in Kilmarnock and Mercer Place was responsible for 17 of those people.

Mayor Booth thanked Mr. Warren for his comments.

5. Planning Commission Report – Council Liaison Position Vacant

Mayor Booth asked Town Manager Saunders to give the report.

Town Manager Saunders advised that the Planning Commission held a public hearing regarding proposed text amendments to the Technology Zone Ordinance in order to change the boundaries. Mr. Saunders stated that it was their recommendation that the proposed text amendments be approved by Council. Mr. Saunders advised that a public hearing would be advertised and the recommendation would come before Council next month. Mr. Saunders said that that the Planning Commission also discussed the expiration of Chair Ludwig's term at the end of the summer and voted to recommend that she be appointed for another four year term. Mr. Saunders noted that since then, they had discovered that another Planning Commission Member's term was expiring at the end of August so he thought that they were going to talk this over again at their next meeting in July and come back with a complete recommendation.

6. Committee Reports:

A. Water/Sewer Committee: Councilmember Nunn, Chair

1) Report from June, 2012 Meeting

A copy of the Committee meeting notes was included in each Councilmember's packet.

Councilmember Nunn reported that Town Manager Saunders advised the Committee that plans for extending sewer laterals on Waverly Avenue had been submitted to VDOT for review and he expected this phase to take about a month. Mrs. Nunn said that there was a water main leak on Clark Lane which was quickly repaired but the rushing water had undermined some of the pavement. Mrs. Nunn stated that they were waiting to hear from VDOT on how much of the street the Town would be required to repave. Mrs. Nunn said that the Committee discussed the success of recent attempts to mitigate blower noise at the WWTP and asked Mr. Saunders to draft a position statement for review for the next

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Committee meeting. Mrs. Nunn stated that no staff members were available to give a report, but Town Manager Saunders said that the water and wastewater systems had been performing properly and there were no acute issues to discuss. Mrs. Nunn said that Mr. Rosenbaum gave an update on the progress on the Wiggins Avenue force main replacement. Mrs. Nunn advised that almost all the pipe had been laid and connections at the pump station would soon be all that was required for completion. Mrs. Nunn stated that VDOT had withdrawn a request to repave a portion of Wiggins Avenue. Mrs. Nunn said that Mr. Rosenbaum submitted a revised generator replacement bid request advertisement that could be published soon. Mrs. Nunn stated that Mr. Saunders advised that there had been no progress on the radio read meter retrofit in the past month because the contractor trials had not yet resulted in an actual proposal. Mrs. Nunn finalized by saying that Town Manager Saunders had received a letter of appreciation from Tammy and Jimmy Crandall regarding the WWTP blower noise reduction due to the new buffers which she read. (See Attachment of Letter) Although Mrs. Nunn received some of the credit in the letter, she advised that all of the credit for resolving this issue went to Town Manager Saunders which generated applause.

2) Committee Recommendations to Council

There were no recommendations to Council.

B. Streets/ Sidewalks/ Playground Committee: Councilmember Donahue, Chair

1) Report from June, 2012 Meeting

A copy of the Committee meeting notes was included in each Councilmember's packet.

Councilmember Donahue stated that the Committee discussed derelict structures and the current Town Code. Mr. Donahue said that Town Manager Saunders was still checking into that process and would give an update at a later time. Mr. Donahue advised that the Committee agreed to have a joint session with the Town Centre Committee regarding the Town Hall property and the Town Centre Lot to discuss the future of the properties once the new Council had been seated. Mr. Donahue stated that the Committee discussed the over aged youth dominating the playground and who were too big for the equipment. Mr. Donahue said that the Committee was still trying to figure out what to do about that issue and had turned to the Town Attorney and Police Chief for assistance. Mr. Donahue advised that Town Manager Saunders gave the Committee an update on the "No Thru Truck Traffic" on Main Street which seemed to be working. Mr. Donahue said that the Town had only received a few letters from complaining trucking companies. Mr. Donahue stated that they continued to have problems with trucks driving over the islands in the middle of Main Street. Mr. Donahue said that the Committee would be working on what to do with that in the future. Mr. Donahue

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said that an extra space was needed at the trolley stop in front of Booth's Furniture and the Masonic Lodge. Mr. Donahue stated that the Committee suggested using an orange cone on Fridays and Saturdays. Mr. Donahue advised that Kilmarnock hosted a flag retirement on June 14th and a dog park event on June 16th. Mr. Donahue asked Councilmember Nunn if she wanted to comment on the dog park event.

Councilmember Nunn advised that the dog park event was well received and they hosted approximately 20 dogs and 40 people. Mrs. Nunn stated that Mayor Booth gave a welcome speech and Reverend Bruse blessed the park and animals present. Mrs. Nunn advised that Deputy Shawn Boone was there with his blood hound "Mike Hammer" and gave a brief background on the dog's training. Mrs. Nunn stated that Mayor Booth and Mrs. Roxy Moubray unveiled the 64 memorial bricks. Mrs. Nunn said that the dog bone signs displaying the names of the sponsors were in place. Mrs. Nunn stated that Frisbees, balls, and ropes were given out to the dogs in attendance.

Mr. Donahue resumed his report by advising that power to the Town Centre Lot had been turned on. Mr. Donahue finalized by saying that the owners of the Bradford Pear trees by the Post Office had agreed to remove them entirely.

Mayor Booth stated that he wanted to add that the Town hosted a nice dedication ceremony at Baylor Park on June 2nd.

2) Committee Recommendations to Council

There were no recommendations made to Council.

C. Police/Public Safety Committee: Councilmember Donahue, Chair

1) Report from June, 2012 Meeting

A copy of the Committee meeting notes was included in each Councilmember's packet.

Councilmember Donahue advised that Chief Bedell gave his report which didn't consist of anything major. Mr. Donahue said that the Committee continued discussions on what to do about the playground situation involving the 12 and 13 year olds. Mr. Donahue noted that the only other topic of conversation was the Trolley stop in front of Booth's Furniture which had already been addressed.

2) Committee Recommendations to Council

There were no recommendations to Council.

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D. Emergency Preparedness Committee: Councilmember Umphlett, Chair

1) Report from June, 2012 meeting

Councilmember Umphlett stated that Town Manager Saunders reported that ads seeking bids for the Wiggins Avenue generator replacement would be in the Rappahannock Record in the upcoming week. Mrs. Umphlett said that Mr. Saunders hoped to have the bids in by the middle of July and a generator in place by Labor Day. Mrs. Umphlett advised that Mr. Saunders also said that staff had discovered some problems with the new generator at the hospital well (Well #3) and had called in the supplier to investigate. Mrs. Umphlett said that Mr. Saunders believed that the trouble had been diagnosed and repaired but Public Works staff would be keeping a close eye on it. Mrs. Umphlett stated that the Committee discussed what progress if any had been made in providing fuel for police cars and public works vehicles should a prolonged blackout occur and gas stations were closed. Mrs. Umphlett advised that Mr. Saunders reported that an agreement had been reached with a local petroleum products supplier to supply fuel to Town vehicles in such circumstances but the agreement had not yet been formalized. Mrs. Umphlett stated that Mr. Saunders said that he would continue to work on this.

2) Committee Recommendations to Council

There were no recommendations made to Council.

E. Town Centre Committee: Councilmember Jones, Chair

1) Report from June, 2012 meeting

A copy of the Committee meeting notes was included in each Councilmember's packet.

Councilmember Jones stated that the Committee discussed the possibility of moving the playground but decided against it. Mr. Jones advised that the Committee directed the Town staff to have at least one more bid for the site work on the existing Town Hall location before the next Committee meeting.

2) Committee Recommendations to Council

There were no recommendations made to Council.

F. Economic Development Committee: Vice-Mayor Smith, Chair

1) Report from June, 2012 Meeting.

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A copy of the Committee meeting notes was included in each Councilmember's packet.

Mayor Booth asked Councilmember Umphlett to give the report in lieu of Vice-Mayor Smith's absence.

Councilmember Umphlett stated that the Committee reviewed the status of new/exiting businesses. Mrs. Umphlett said that the Committee also reviewed the proposal for Grey's Point transit program. Mrs. Umphlett advised that Bay Transit would provide a bus and driver and Good Luck Cellars would be asked to be a financial partner. Mrs. Umphlett said that staff would provide further updates as details arise. Mrs. Umphlett stated that the Committee reviewed the proposal for a brochure program based on "Kilmarnock ABC's" that could be linked with VA Tourism Corp for placement within several Welcome Centers. Mrs. Umphlett advised that detail regarding the cost of printing and creative services would be available at the July meeting. Mrs. Umphlett finalized by saying that to staff's knowledge there had been no further input or feedback from the Steptoe's merchants regarding downtown activities.

2) Committee Recommendations to Council

There were no recommendations made to Council.

G. Administration/Finance Committee: Vice-Mayor Smith, Chair

1) Report from June, 2012 meeting.

A copy of the Committee meeting notes was included in each Councilmember's packet.

Mayor Booth asked Councilmember Donahue to give the report in lieu of Vice-Mayor Smith's absence.

Councilmember Donahue stated that the Committee discussed the FY 2013 Budget which received no further input for consideration. Mr. Donahue asked Town Manager Saunders to explain the VRS situation.

Town Manager Saunders advised that there were two Resolutions that VRS were requiring to be passed. Mr. Saunders stated that the General Assembly gave every locality two options. The first being what should be paid according to actuarial tables for operation and secondly a discounted rate for localities that had difficulty making a budget. Mr. Saunders said that it was the Committee's recommendation to pay the 10.88% rate verses the 9.57% rate simply because the Town could do it and it would keep them from falling behind in the funding of the Town's retirement plan. Mr. Sanders advised that the other resolution mandated by the State was that employees must pay in the 5% that in

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prior years the Town had been paying. Mr. Saunders said that the only choices they had were to do it all at one time or phase it out over the next five years. Mr. Saunders stated that the Committee recommended that it be done all at one time.

Councilmember Donahue continued his report by saying that Councilmember Nunn had provided a preview of a potential plan to develop literature promoting the Town of Kilmarnock and getting people to do business with Kilmarnock. Mr. Donahue asked Councilmember Nunn if she would like to comment on it.

Councilmember Nunn stated that one of the graphics they were using was a little package which said the best things come in small packages. Mrs. Nunn said that she suggested that they have ABC's coming out of the package and gave the example that A could be for Hummel Airport or Antiques, B could be for beach, etc. Mrs. Nunn said that the Town would underwrite this partially but the advertisers would pay to be in it. Mrs. Nunn advised that there were eleven places in the State where they could be displayed. Mrs. Nunn said that the Chamber of Commerce would also have them. Mrs. Nunn stated that they have had several suggestions that some of the meals and lodging money be used to advertise the Town. Mrs. Nunn finalized by saying that Assistant Town Manager Cockrell was getting all of the numbers together for further discussion next month.

Councilmember Donahue reported that Vice-Mayor Smith reviewed with the Committee a first draft of Town Council roles/responsibilities for subcommittees. Mr. Donahue stated that he would wait for Mr. Smith's return so he could present it to Council at next month's meeting. Mr. Donahue said that the Committee discussed a need for a comprehensive review/update of the Town Charter. Mr. Donahue stated that it had been decades since it had been updated.

Councilmember Nunn advised that the last time was in 1966. Mrs. Nunn said that the Town's Charter was very convoluted and she spoke to Attorney General Ken Cuchinelli six months ago who said that there was a committee at the General Assembly who examined Charters. Mrs. Nunn advised that if the Town could get a Charter that they would like to have approved to them prior to the first of December then they could have it approved and back by the end of February. Mrs. Nunn felt that it behooved them to get the Charter ready and get it there. Mrs. Nunn commented that the Town didn't need a place to store gun powder anymore.

Mayor Booth stated that he was surprised that Mrs. Nunn wanted to change the Charter because during the election she fought so hard to preserve it and protect it from him.

Councilmember Nunn stated that she just wanted him to abide by it.

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Councilmember Donahue said that the issue was if Council felt that there needed to be a separate Committee formed to review the Charter. Mr. Donahue's recommendation was to wait until the new Council was seated before proceeding any further on the issue.

Councilmember Nunn agreed.

Mr. Donahue continued with his report by saying that the Committee discussed the gap in Planning Commission meetings and the need for consistency of occurrence. Mr. Donahue stated that the Committee recommended that the Planning Commission meet at least once per quarter.

Mayor Booth stated that as the previous Chairman of the Planning Commission he could concur that was in their By-Laws. Mayor Booth said that he thought the Town Attorney would agree with him that it was not actually up to Council to micro-manage the internal affairs of the Planning Commission. Mayor Booth advised that the By-Laws were actually supposed to be created internally by the Planning Commission.

Councilmember Donahue commented that he was just reading the notes from the Committee meeting.

Mayor Booth replied that he was just adding some comments.

Councilmember Donahue advised that Councilmember Nunn recommended that an illuminated flag pole and large American flag be added to the Town Centre property. Mr. Donahue stated that he concurred with Mrs. Nunn's idea but thought that the Virginia flag should be added and an official Kilmarnock flag be developed to put with it.

2) Committee Recommendations to Council

A. Recommend that Kilmarnock elect the 10.88% option as the employer's contribution to VRS for FY 2013.

Councilmember Gravatt made the motion which was seconded by Councilmember Donahue.

DISCUSSION:

Councilmember Nunn stated that recently she had reason to review several years of minutes and thought it to be very important that Councilmembers specifically state their motion rather than just say "I move" and asked Councilmember Gravatt if he could read the whole motion, which he did.

ACTION: Councilmember Gravatt made the motion

that Kilmarnock elect the 10.88% option as the employer's contribution to VRS for FY 2013, seconded by Councilmember Donahue; and carried unanimously.

B. Recommend that Kilmarnock implement the 5% employee contribution to the VRS at one time in FY 2013 and implement the 5% increase to employee base wages.

ACTION: Councilmember Nunn made the motion to implement the 5% employee contribution to VRS at one time in FY 2013 and implement the 5% increase to employee base wages; seconded by Councilmember Jones; and carried unanimously.

C. Recommend that Council approve the disbursements from May 22, 2012 through June 18, 2012 totaling \$237,095.18.

ACTION: Councilmember Nunn made a motion to approve the disbursements from May 22, 2012 through June 16, 2012 as presented, seconded by Councilmember Umphlett; and carried unanimously.

7. Administrative Comments and Reports: Town Manager Saunders

A. Through Truck Restrictions

Town Manager Saunders commended the Police Department on their enforcement of the new restriction.

B. Wiggins Avenue Force Main Replacement

Town Manager Saunders reported that this project was nearly completed. Mr. Saunders said that they were now tying the pipe into the lift station. Mr. Saunders stated that they had passed the pressure test. Mr. Saunders advised that they were waiting on one valve for completion.

C. WWTP Blower Noise Reduction

Town Manager Saunders said that far be it from him to disagree with Council but felt it was appropriate to acknowledge that all he did in reducing the noise at the Treatment Plant was make a couple suggestions and all of the work was done by staff. Mr. Saunders thanked Councilmember Nunn for recognizing

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him but stated that it was a team effort. Mr. Saunders said that he was appreciative of the Crandall's letter.

D. Recognition of Councilmember Paul Jones

Town Manager Saunders advised that Councilmembers come and go and he gets close to all of them but it saddened him to say that this was Councilmember Jones' last meeting. Mr. Saunders stated that Councilmember Jones had been a good friend and someone that he could count on for support. Mr. Saunders said that the Town would miss his presence on Council which generated applause.

8. Old Business

Second Reading and Adoption of Proposed Fiscal Year 2013 Budget

Town Manager Saunders stated that he was not going to read the proposed budget again and added that there were copies available for anyone who needed it. Mr. Saunders thanked everyone who worked on the budget and for finding his mistakes, oversights, and omissions. Mr. Saunders advised that the proposed budget was the same as presented at last month's Council meeting and had been reconsidered by the Admin/Finance Committee with no changes made. Mr. Saunders said that the proposed budget was the same as what was advertised in the newspaper and was being presented to Council for a second reading and adoption.

Councilmember Nunn said that since there had been two budget workshops where citizens were allowed to come and give their input, and since there was approval of the first reading with only one Councilmember opposed, she was going to move to approve the second reading of the proposed budget and to adopt it.

ACTION: Councilmember Nunn made the motion to approve the second reading of the FY 2013 Town of Kilmarnock Budget in the amount of \$3,117,819.00 and to adopt it as presented,

DISCUSSION:

Mayor Booth asked how much the budget would be if the capital improvement expenditures were added.

Town Manager Saunders said that he wasn't aware that there was going to be a pop quiz.

Councilmember Donahue stated \$1,010,000.00 additional.

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Mayor Booth asked that the amount of the budget, the surplus of the water/sewer, operating accounts, and the amount of the capital improvement expenses be stated for the record.

Councilmember Donahue replied \$3,027,835.00.

Councilmember Nunn commented that it actually went down.

Councilmember Donahue replied by about \$190,000.00

Town Manager Saunders stated that in addition to that, they had proposed \$1,010,000.00 in capital improvement projects. Mr. Saunders said that he didn't think that the Town would be able to get all of the projects completed in 2013 but he hoped so. Mr. Saunders stated therefore they could spend that much in additional.

Mayor Booth wanted clarification that the amount of excess revenues from water/sewer and operating accounts available for capital improvement expenses was \$191,643. Mayor Booth said that the authorized spending in this budget for capital improvement was \$1,010,000.00. Mayor Booth stated that the combined amount of water/sewer and operating revenues was \$3,027,835.00. Mayor Booth said that he just wanted the press to have a clear picture of the numbers. Mayor Booth stated that he was sorry that he had to interrupt the process but everyone was asked earlier to clarify their motions.

Mayor Booth called for a second on the motion made by Councilmember Nunn. The motion was seconded by Councilmember Jones. Mayor Booth asked if there was further discussion.

Councilmember Donahue said that he just wanted everyone to be aware that they were spending more than they were taking in. Mr. Donahue said that the capital improvement projects were needed but everyone needed to know where they were heading as a Town. Mr. Donahue stated that they were going to have to make some difficult decisions if they continued to go down the path of spending anywhere from five hundred to a million dollars more then what they took in.

Councilmember Nunn replied that if they didn't do it then the Town's water system could be shut down.

Councilmember Donahue said that he didn't disagree. Mr. Donahue advised that he just wanted everyone to be aware that they were spending more than they were taking in. Mr. Donahue said that the Town had reserves for that purpose but reiterated that if they kept going in this direction they would have some serious issues before them.

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Mayor Booth wanted to state for the record that he was adamantly opposed to this budget and would be releasing his statement to the press stating his objections to it.

Mayor Booth called for the vote which was unanimous.

9. New Business

A. Committee Assignments for Councilmember Gravatt

Mayor Booth advised that he would be producing Committee assignments for the next term of Council before the end of the month so each Councilmember would have time to prepare for next month's meetings. Mayor Booth stated that due to the circumstances of Councilmember Gravatt's Special Election, he was seated early. Mayor Booth advised that he spoke with Mr. Gravatt before the meeting and he stated that he would like to serve on Economic Development Committee, Town Centre Committee, and the Police and Public Safety Committee and therefore he was appointed to those.

B. Appointment of Council Liaison to the Planning Commission

Deferred until next month's meeting.

10. Council Comments

There were no Council comments made.

11. Adjournment

ACTION: Councilmember Nunn made a motion to adjourn, seconded by Councilmember Donahue; and carried unanimously.

Meeting adjourned at 8:02 pm

Prepared by:

Joan N. Kent

Raymond C Booth, Jr., Mayor

Cindy Balderson, Clerk

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