REGULAR WORK SESSION OF THE FARMVILLE TOWN COUNCIL
HELD ON APRIL 5, 2017

Mayor Whitus called to order the regular work session of the Farmville Town Council held on Wednesday, April 5, 2017 at 11:00 a.m., in the Council Chamber of the Town Hall located at 116 North Main Street, Farmville, Virginia.

Present at the meeting were Mayor Whitus, presiding and Council members D.E. Dwyer, D.L. Hunter, A.D. Reid, J.J. Davis and G.C. Cole. Council member T.M. Pairet arrived at 11:08 a.m.

Staff present was Town Manager, Gerald Spates, Communications Specialist, Kate Eggleston and Town Clerk, Lisa Hricko.

Mayor Whitus presented the April 2017 agenda items for review and discussion.

Consent Agenda – no discussion
Treasurer’s Report – will be added to dropbox
Bills – no discussion
Vacancies on the Farmville Industrial Development Authority and the Local Building Official Board – Mayor Whitus stated these matters would be referred to the Personnel Committee for recommendation to Council.

Amending the Farmville Planning Commission Ordinance – Mayor Whitus stated as the ordinance reads now, each ward member would make a recommendation on an appointment to the Planning Commission. Council’s two at large members would not. Mr. Dwyer asked if the ordinance is amended, could one of the two members whose terms will expire on June 30, 2017 shift over to the at-large seat. Mayor Whitus stated yes, if that was the pleasure of the at-large Council member. Mr. Spates stated that if it is Council’s desire that the membership on the Planning Commission mirror that of Council, then a public hearing will need to be held to amend the Planning Commission ordinance to add the two at-large representatives.

Continue the request on behalf of Mr. Richard Bratcher – the Infrastructure Committee will meet prior to the Council meeting to discuss the request on behalf of Mr. Richard Bratcher to abandon the street right of way or to continue to allow the street right of way to be used as it is presently.

Town Manager’s Employment Agreement – will be discussed in closed session
Recommendation to extend the rebates on in-town new residential and commercial water
and/or sewer customers – Mr. Spates stated that the Finance and Ordinance Committee would be recommending Town Council extend the rebates for in-town new residential and commercial water and/or sewer connections.

Proposed amendment to the Town of Farmville Employee Handbook – Mr. Spates stated the Finance and Ordinance Committee discussed the recommendation of compensating those Town employees that do not drive take home vehicles and are called in to respond to emergency situations. He stated the Town of South Hill compensates their employees with mileage reimbursement. The Finance and Ordinance Committee discussed mileage reimbursement and travel compensation. Mr. Spates stated the Committee would be recommending Council amend the employee handbook to add compensating employees for travel when called in to respond to an emergency situation.

Recommendation on employee health insurance - Mr. Davis, Chairman of the Finance and Ordinance Committee stated at the March Council meeting, due to the rising cost of insurance premiums, Council elected to add the Key Advantage 500 plan as an additional insurance plan offered to Town employees.

Mr. Davis stated in order to finalize the budget preparations and to finalize insurance enrollment, the Finance and Ordinance Committee is asking Council to take action at the work session on approving a 2 percent employee increase for full time employees and on the Town sponsoring the Key Advantage 500 plan for health insurance coverage for its full time employees. He stated for those currently on the Key Advantage 250 plan, and wishing to continue coverage, the Committee is recommending the employees be allowed to do so, with the Town and employee splitting the increase in premiums 50/50.

Mr. Davis stated on the Key Advantage 500 plan, the Committee is recommending the Town pay 100 percent of the premium for those full time employees with single coverage. The employee’s portion on the dual and family coverage on the Key Advantage 500 plan would stay as it is under the Key Advantage 250 plan– dual coverage on the Key Advantage 500 plan would be at $127.26 per payday and family on Key Advantage 500 would be $185.65 per payday.

Mr. Cole gave the following example: the difference in additional premiums between the Key Advantage 500 plan and Key Advantage 250 plan for single coverage is $63.00 per month. If a fulltime employee elects to remain on Key Advantage 250 plan and has single coverage, the employee will pay 50 percent of the $63.00 monthly increase. Mr. Cole suggested that an Anthem
representative meet individually with each employee to explain the plans and the differences in coverage.

Members briefly discussed the plans coverage and the differences in premiums. It was suggested that employees receive information on issues that help to determine the costs of premiums – example given was visiting a primary care physician compared to an emergency room visit and how those decisions affect the cost of premiums.

Mr. Davis stated the recommendation of a 2 percent increase for fulltime employees will help offset the increase in insurance premiums for those employees electing to remain on the Key Advantage 250 plan and gives Council the ability to make changes in the future. Mayor Whitus asked if the recommendation was in the form of a motion. Mr. Davis stated it is.

**FINANCE AND ORDINANCE 2017-2018 BUDGET RECOMMENDATIONS**

Mr. Davis stated the motion before Council is to accept the recommendations of the Finance and Ordinance Committee and include the recommendations in the 2017-2018 Town budget. The motion was seconded by Mr. Hunter and with a recorded vote with Dwyer, Hunter, Pairet, Reid, Davis and Cole voting “aye”, the motion passed.

For the fiscal year 2017-2018 Town budget will include:

* Full time employees will receive a two (2) percent pay increase;
* The Town sponsored insurance plan for full time employees is the Key Advantage 500 plan;
* On the Key Advantage 500 plan, the Town will pay 100 percent of single coverage and reimburse those employees with single coverage and those employees covered under a health insurance plan elsewhere and being reimbursed the single coverage, the same benefit that the Town pays toward single coverage on the Key Advantage 250 plan, $14.54 per payday. The employee portion of dual and family for the Key Advantage 500 plan will be at its current employee deductions – dual coverage $127.26 per payday and family coverage at $154.26 per payday.
* Any employee wanting to keep the Key Advantage 250 plan will only see an increase in per payday deductions equal to 50 percent of the difference between the 500 and 250 plans on single, dual and family coverage.

**Request for a conditional use permit on behalf of Mark and Laura French** – Mr. Spates stated Mark and Laura French have requested a conditional use permit to build nine (9) cottages on 1.052 acres located across from the dog park. The property fronts on 1st Street and is bound by N.
Virginia Street and N. Bridge Street. The property is zoned Residential District R-4 and cottages are considered an allowed use with a conditional use permit. Mayor Whitus stated the matter will need to be referred to the Farmville Planning Commission. Mr. Spates stated he will be asking Council to move forward with authorizing advertisement of a public hearing to be held at the May Council meeting.

Request adoption of ordinance 4A.2017 Holiday Inn Express & Suites Farmville Project – Mr. Spates stated the attorneys for the Holiday Inn Express & Suites Farmville project have asked that the Council adopt ordinance 4A.2017 in support of the Holiday Inn Express & Suites project for GAP Financing. He stated Council has adopted similar ordinances in support of GAP Financing and Town Attorney, Gary Elder has reviewed the ordinance and sees no issues with Council’s adoption.

ORDINANCE NO. 4A.2017

AN ORDINANCE REGARDING
THE HOLIDAY INN EXPRESS & SUITES FARMVILLE PROJECT

WHEREAS , the Council of the Town of Farmville, Virginia, adopted Ordinance 173 on January 13, 2016, codified in Chapter 30 of the Code of Ordinances for the Town of Farmville, by authority of Code of Virginia § 58.1-3851, establishing a tourism zone for the Town of Farmville (the “Tourism Zone”), which includes all areas within the town's enterprise zone, in addition to all Town owned property at the Farmville Regional Airport and Farmville Municipal Golf Course; and

WHEREAS, the Tourism Zone is intended to promote the Town of Farmville's tourism industry by providing incentives to eligible businesses within the Tourism Zone that will attract visitors, create new employment opportunities and/or promote education opportunities while increasing travel-related revenue in the Farmville area; and

WHEREAS, the staff of the Town of Farmville have prepared a Tourism Development Plan (the “Tourism Development Plan”) which identifies a demand for hotel accommodations within the Farmville area arising out of several major local demand generators, including Longwood University, Hampden-Sydney College, Central Southside Community Hospital, High Bridge Trail State Park, Green Front Furniture, and Downtown Farmville; and

WHEREAS, Hotel Express, LLC (the "Developer") has proposed the construction of a Holiday Inn Express & Suites to be located in the Tourism Zone, which proposed project is anticipated to provide for approximately ninety-eight (98) hotel rooms, meeting or event spaces to accommodate up to seventy-five (75) people, up to 22 full time jobs, and approximately $210,000 in annual local lodging tax per year (the “Project”); and

WHEREAS, the Developer has identified a plan of finance for the Project, which includes private debt and equity financing totaling at least 70% of the cost of the Project, leaving a financing gap of no more than 30%; and
WHEREAS, the Developer is seeking assistance in providing a financing mechanism to compensate for the $1,000,000 shortfall in Project funding (the "Gap Financing"); and

WHEREAS, in 2011, the Virginia General Assembly passed legislation enacting a tourism development financing program which entitles an authorized tourism project to receive certain state and local tax revenues from the tourism project, as codified in Code of Virginia § 58.1-3851.1 (the “Gap Financing Statute”); and

WHEREAS, under the Gap Financing Statute an eligible project is entitled to receive one percent each of the state and local share of sales tax revenues generated from the project, provided that the developer pay a certain access fee, which access fee, together with one percent of the sales tax revenues allocable to the project, may be used for the purpose of paying principal and interest on the gap financing for the project; and

WHEREAS, the Council, after due consideration, believes it to be in the best interests of the Town of Farmville, to approve of the Project and such other approvals are necessary for the Project to obtain financing under the Gap Financing Statute, including adoption of the Tourism Development Plan; and

WHEREAS, the Industrial Development Authority of the Town of Farmville, Virginia (the "IDA"), is authorized by the charter granted to it by the General Assembly of Virginia to participate in economic development activities within the Town of Farmville; and

WHEREAS, the IDA is authorized by its charter to exercise all or any of the powers and authority vested in an industrial development authority established under the Industrial Development and Revenue Bond Act, which is set out in Chapter 49 of Title 15.2 of the Code of Virginia; and

WHEREAS, among the powers of industrial development authorities thus granted to the IDA is the power to make grants to a business firm for the purpose, among others, of promoting economic development; and

WHEREAS, the Town of Farmville is willing to consider providing funds to the IDA for the purpose of enabling it to make certain grants pursuant to Virginia Code Section 58.1-3851 (2006) and the Gap Financing Statute for the Project; and

WHEREAS, the circumstances under which the Town is willing to consider providing such funds in support of the Project relate to the nature of the businesses, monetary value of taxable capital investments, taxes and fees paid to the Town, and creation of new jobs; and

WHEREAS, the Council believes it is in the best interests of the Town and the IDA to offer, to the Developer and the lender with respect to the Project, the economic incentives contained within a Performance Agreement to be entered into by and among the Town, the IDA, and the Developer, in the form annexed hereto as Exhibit A and made a part hereof (the “Performance Agreement”), which sets out in further detail the terms of the proposed Gap Financing for the Project.
NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Farmville, Virginia, that pursuant to Virginia Code Section 58.1-3851.1 (2011), the Council of the Town of Farmville hereby authorizes the adoption of the Tourism Development Plan and the Performance Agreement; and

BE IT FURTHER RESOLVED that the Town directs the IDA to adopt the Performance Agreement, and any and all agreements, amendments, documents, and other instruments, of any kind or nature whatsoever, and to take from time to time any other actions which the IDA shall in its discretion determine to be necessary or appropriate to effect the transactions contemplated by any of the foregoing;

BE IT FURTHER RESOLVED that the execution, delivery, and performance by the Town of Farmville of its obligations under the Performance Agreement are hereby authorized and approved; and

BE IT FURTHER RESOLVED, that the Town Manager is hereby authorized and directed to execute, deliver and perform on behalf of the Town, the Performance Agreement, and any and all agreements, amendments, documents, and other instruments, of any kind or nature whatsoever arising out of or related thereto, and to take from time to time any other actions which the Town Manager shall in his or her discretion determine to be necessary or appropriate to effect the transactions contemplated by any of the foregoing, the Tourism Development Plan, or otherwise contemplated by this Ordinance, and the execution and delivery of any document or instrument by the Town Manager shall constitute conclusive evidence that the terms and conditions contained in said documents or instruments have been determined to be appropriate by the Town Manager on behalf of the Town pursuant to this Ordinance; and

BE IT FURTHER RESOLVED THAT any and all other actions heretofore taken by the Town Manager to execute and deliver any of the agreements, documents or instruments authorized by the foregoing resolutions, or to take any of the actions authorized by the foregoing resolutions are hereby approved, ratified and confirmed in all respects.

NOW, THEREFORE, BE IT FURTHER ORDAINED THAT this ordinance shall be in effect on and after the date of its adoption, April 12, 2017.

Request appointment to the Moton Museum Council – the position is currently held by Mrs. Thompson and she has indicated her desire to continue to serve the Town of Farmville on the Moton Museum Council

2017 VML Policy Committee Nominations – Mr. Spates is suggested that Council members serve on the same VML Policy Committees as last year and if any other members are interested in serving on a Policy Committee to contact him.

Miscellaneous Items – no discussion

Standing Committee Reports – Parks and Recreation Committee – Mr. Cole, Chairman. Mr. Cole stated a public meeting is scheduled for Wednesday, at 6:00 p.m. on April 19 in the Council
Chamber to discuss parks and recreational needs for the community. He described the meeting as a great opportunity for the public to comment and take part in what they would like to see in parks and recreation for the community.

Town Manager and Staff Comments – Mr. Spates provided Council with an update on several ongoing projects. He also added that on Friday, April 28, the Farmville Police Department will be sponsoring the Special Olympics Torch Run and he had some concerns with the event-taking place on Main Street. Chief Andy Ellington was present to speak on the event and to answer any questions Council may have.

Chief Ellington stated the Farmville Police Department will be hosting the Law Enforcement Torch Run for the Special Olympics on Friday, April 28th. Longwood University will be helping to shuttle runners. The run will be about 3.5 miles long, will raise money and awareness for Special Olympics Virginia. Registration will begin at 9:00 a.m. in the municipal lot behind Town Hall on South Street. Buses will shuttle runners to the starting point in front of Sheetz on Main Street and will be available to pick up runners that are unable to complete the event. The run will begin at 10:30 a.m. and end at Riverside Park. Chief Ellington said he anticipates the runners being through the downtown area by 11:00 a.m. Cost of participating is a $20 donation, which includes a t-shirt. Chief Ellington stated does not anticipate any overtime for his Officers. Council expressed support of the event.

Comments by the Mayor and members of Town Council – Mr. Reid commended Mr. Spates, Ms. Eggleston and the Town of Farmville for the favorable articles in the most recent issue of the Virginia Municipal League magazine.

CLOSED SESSION – SECTION 2.2-3711(A)(1) – PERSONNEL

On motion by Mr. Davis, seconded by Mr. Hunter and with all Council members voting “aye”, Council went into closed session under Section 2.2-3711(A)(1) of the Code of Virginia for the discussion and consideration of the Town Manager’s Employment Agreement.

On motion by Mr. Davis, seconded by Mr. Reid and with all Council members voting “aye”, Council returned to the regular order of business.

CERTIFICATION OF CLOSED MEETING

WHEREAS, the Farmville Town Council has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and
WHEREAS, Section 2.2-3712 of the Code of Virginia requires a certification by the Farmville Town Council that such closed meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED that the Farmville Town Council hereby certifies that, to the best of each member’s knowledge, only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Farmville Town Council.

VOTE: Six (6)

MOTION: Davis SECOND: Reid

AYES: Dwyer, Hunter, Pairet, Reid, Davis and Cole

NOES: none

ABSENT DURING VOTE: Thompson

ABSENT DURING MEETING: Thompson

Clerk

There being no other business, the meeting adjourned.

APPROVED:

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David E. Whitus, Mayor

ATTEST:

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Lisa M. Hricko, Clerk