

PUBLIC HEARING & TOWN COUNCIL MEETING  
MAY 19, 2008  
6:30 P.M.

TOWN COUNCIL MEMBERS PRESENT:

Kathyanne Runninger  
Fletcher Fosque  
George Miles

Kay Wescott  
Maphis Oswald]  
(ABSENT: Duke Shannahan)

OTHERS PRESENT:

Bruce Paone, Mayor  
Susan D. Scott, Town Mgr.  
David Rowan, Town Atty.  
Lanny Mason  
David Tweedie  
Janet & Roland Stahl  
Janet & Hayton Rochester  
Sandra Bilinski  
Kimberly Kondrat  
Caroline Warren  
Emma Abrams  
Valena Gibb  
Linda Nicola  
Emory F. Hurst, Jr.  
Thom Nolan  
Carol Vaughn, E.S. News  
Cynthia Walton  
Judith Grier

Karen Simpson, Admin. Asst.  
Bryan Horton, Optr. In Charge  
Vera T. Bruton  
Mike Carpenter  
Ales Gregor  
Shelton Askew  
Gary Cochran  
Armando Suarez  
Dottie S. Hurst  
Victoria Warren  
Kris LaMontagne  
Mike Truitt  
Edward Corbett  
Bob Runninger  
Travis Bradley  
Bill Bagwell  
Cheryl Cashman  
Shirley Zamora

- I. Public Hearing – FY 2008/09 Tax Rate Increase. The Mayor read the following into the record:

“The Town of Onancock proposed to increase property tax levies.

1. Assessment Increase: Total assessed value of real property, excluding additional assessments due to new construction or improvements to property, exceeds last year's total assessed value of real property by 80% percent.
2. Lowered Rate Necessary to Offset Increased Assessment: the tax rate which would levy the same amount of real estate tax as last year, when multiplied by the new total assessed value of real estate with the exclusions mentioned above, would be 19¢ per \$100 of assessed value. This rate will be known as the "lowered tax rate".
3. Effective Rate Increase: The Town of Onancock proposes to adopt a tax rate of 21¢ per \$100 of assessed value. The difference between the lowered tax rate and the proposed rate would be 2¢ per \$100, or 10 percent. This difference will be known as the "effective tax rate increase".

Individual property taxes may, however, increase at a percentage greater than or less than the above percentage.

4. Proposed Total Budget Increase: Based on the proposed real property tax rate and changes in other revenues, the total budget of the Town of Onancock will exceed last year's by 10 percent.
5. Assessment Increase: Total assessed value of real property, excluding additional assessments due to new construction or improvements to property, exceeds last year's total assessed value of real property by 80% percent.
6. Lowered Rate Necessary to Offset Increased Assessment: the tax rate which would levy the same amount of real estate tax as last year, when multiplied by the new total assessed value of real estate with the exclusions mentioned above, would be 19¢ per \$100 of assessed value. This rate will be known as the "lowered tax rate".
7. Effective Rate Increase: The Town of Onancock proposes to adopt a tax rate of 21¢ per \$100 of assessed value. The difference between the lowered tax rate and the proposed rate would be 2¢ per \$100, or 10 percent. This difference will be known as the "effective tax rate increase".

Individual property taxes may, however, increase at a percentage greater than or less than the above percentage.

8. Proposed Total Budget Increase: Based on the proposed real property tax rate and changes in other revenues, the total budget of the Town of Onancock will exceed last year's by 10 percent.

A public hearing on the increase will be held on May 19, 2008 at 6:30 p.m. in the Onancock Town Council Chambers with the regular council to begin immediately after."

The Town Manager read her Memo to Council regarding finding a way to reduce the 2 cent increase in the real estate tax rate to 1 cent. She recommends: 1) Hiring Rob Leatherbury of Leatherbury-Broache (accountants) to bring up FY 07-08 on his software, which is the same as our auditor, Diane Smith; or 2) Contract with Leatherbury for \$1,000 a month for accounting services, which would be a savings of \$13,951.44 per year over hiring a part-time bookkeeper. The 1 cent (\$13,120) added to removal of the extra \$400 on the business cap (\$800) compares to the savings above.

Mayor Paone asked for public comment. Shelton Askew's concern with the proposed tax rate is the percentage under the new assessment that the new taxes will go up. He suggested taking last year's figure and then raise everybody's percentage the same amount to make the budget meet and to spread the pain.

Emma Abrams wondered how people on fixed incomes are going to be able to pay the higher taxes.

Cheryl Cashman thinks that balancing a budget during these trying times without any new taxes is crucial. We need to adopt a budget that negatively impacts the fewest people possible, like Accomack County. She doesn't feel that we should ask taxpayers to ease the economic pain of a handful of employees by causing more economic pain to many. She also doesn't feel that Town policemen should receive \$1,000-a-year gas stipends.

Janet Stahl offered a possible budget cut - eliminating the annual \$5,100 expense for the Onancock billboard, which is currently being paid entirely by the Town. Initially the expense was shared by three (3) parties. She feels that the Town's employees are more important than the billboard. Losing our policemen to the County or other jobs and having to train replacements is much more costly than \$1,000 annual stipends.

Shirley Zamora supports looking at the population being asked to pay the raised taxes. She is against stipends for gas and education. We cannot afford the luxury of giving benefits. The billboard does bring income into the Town and payment for it should be renegotiated.

Linda Nicola is upset and dismayed about tax increases and is against the upped transient occupancy tax. We should only support things that will bring income into the Town. There has to be some budget tightening.

Sandra Bilinski cannot afford her water bill, let alone a raised tax bill.

Mike Truitt does not think that we are doing the best thing with our dollars right now. Salaries could be cut.

David Tweedie thinks that some of the comments about the items suggested for cost cutting are vindictive and looking in areas that there is not a lot of understanding. Regarding our Town Manager – last year a petition circulated garnering a multitude of signatures extolling Mrs. Scott and the job she was doing as Town Manager. In comparison, Chincoteague and Cape Charles' Town Managers are paid considerably more than Mrs. Scott, and they don't write grants. Paying a "grant writer" to write and administer grants would be a large expense. We should not be "pot shooting" and looking to hurt people who live in this Town and recognize that we have an elected Town Council who are doing the best that they possibly can to provide us with services we expect and a Town that we can be proud of. We have to pay for the services, otherwise move outside of Onancock. Paying the policemen a mere token valuing their services and asking them to stay, rather than spending money training new officers again and again, seems the right thing to do.

Jeff Barrett suggested forming a citizens committee to go over every single item in the budget and then make recommendations to Council.

Kris LaMontagne noted that the overall increase of this year's budget is \$83,000, \$46,500 of which is payment on debt the Town recently incurred. **That leaves a budget increase of only \$37,000.** We should maintain our "home" and make it a better place to live. The new budget is just maintaining.

Mayor Paone gaveled the closing of the public hearing.

- II. The regular Town Council Meeting was called to order at 6:55 p.m. and the Pledge of Allegiance and invocation were recited.
- III. Consideration of April 28<sup>th</sup> Minutes. Mayor Paone informed Council of a typographical error at the top of the second page of the minutes: “Travis Kendall” should be “Travis Bradley”. Councilman Miles made a motion to waive the reading of Council minutes, Councilman Fosque seconded the motion, and it passed unanimously. Councilman Fosque made a motion to approve the minutes as corrected, Councilman Miles seconded the motion, and it passed unanimously.
- IV. Public Comment. Vera Bruton asked Councilwoman Oswald regarding progress in finding volunteers for the Christmas Parade. She answered that she hadn’t heard anything. One volunteer from Melfa has signed up. Cheryl Cashman advised she would sign up. Some discussion followed regarding the parade.
- Judith Grier questioned the status of the grassy area off the large parking lot, and was answered that no decisions had been made.
- Janet Rochester wondered where the money is coming from for the new street and upgrading of the large parking lot. A knowledgeable family member estimated the cost of doing this at over \$400,000. No decisions have been made regarding this project.
- V. Planning Commission. Councilman Fosque advised that the Commission is still working on the Town Plan. He invited the public to their next meeting on May 20<sup>th</sup>.
- VI. Mayor’s Comments. Mayor Paone attended the March of Dimes Walk. The school did a great job handling it. Our Town Manager, Susan Scott, has brought in over \$11 million in grants alone to the Town during her tenure. Irregardless of the sniping going on lately, this Town is run extremely well – it is one of the best on the Shore. There are only three men on the street crew and four men at the sewer plant who do all of the work in Town. This budget is stretched very thin. Our Town Manager is doing a darn good job running the Town. She does the grant writing and administering, as well as the finances.

- VII. Town Manager's Report.
- i. Correspondence: a) letter from Janet Rochester stating her preference that the land not used for parking behind the old BB&T building be kept as open space. The Town Manager read Janet's stated reasons; b) letter from Shore Engineering requesting consideration of water service for Dr. Wayne Chin, who purchased land outside Town limits. The Town Manager has met with a representative of Shore Engineering. Council consensus was that Dr. Chin would have to pay for any water lines to hook up to our system. Councilman Miles agreed with Ms. Scott to write a letter to Dr. Chin asking for clarification of his intentions and whether he was amenable to paying for a connection to our system.
  - ii. Listed results from the April 16<sup>th</sup> and May 8<sup>th</sup> public wharf visioning sessions. Mrs. Edwards' letter was read into the record. Some of the grant funding agencies' requirements were also provided by Mrs. Edwards. A-NPDC's information will be available at the front desk.
  - iii. VA Port Authority dredging funds allocation - they recommend the Town receive the grant for dredging for \$175,000. Final notification will be in a week or two. Field Trip Report re Onancock Federal Navigation Channel by Ron Vann of Waterway Surveys & Engineering. Letter from Dept. of Navy re preparation of environmental assessment for operation/maintenance of Onancock River dredging.
  - iv. Revised engineering cost estimates on the wastewater plant upgrades. A pre-bid conference was held today with a large turnout. Bid opening is June 17<sup>th</sup> at 2:00 p.m. Brian Horton was very pleased that 14 contractors attended. The costs of natural products are increasing rapidly. Mayor Paone pointed out that when the Town Manager was notified that costs increased by \$900,000, within 1 ½ week she had garnered \$1,000,000 to cover the increase, with \$700,000 from Rural Development. The remaining \$300,000 will be confirmed from other funding agencies. Councilman Fosque could not understand why the engineers couldn't come closer on their cost predictions, despite the fact that all costs in this country have bloomed nearly out of control this year. Advertisement for final funds (environmental document) will be published in the next two Saturday newspapers.

- v. Memorandum from Town Manager re Onancock School rezoning, zoning determination request letter from FOS and draft of new zoning district for the Onancock School. She suggested that this matter could be tabled until the next meeting after review by Council. Councilman Fosque thought the matter had been referred to the Planning Commission. The Town Attorney advised that a Resolution would have to be adopted in order to do this. Then the Commission will recommend to Council. The Town Manager was directed to draft a Resolution. She requested that Council review the permitted uses and research material provided by her.
- vi. Real Estate Appraisal Report for remainder of BB&T property bought by the Town not previously sold, done by Kendall C. Bradley and Associates, Inc. A closed session on this matter will be scheduled at the next meeting. The Town Manager cautioned that this report is a *confidential* document and that Council members should not let it out of their sight.
- vii. May & June activities:
  - May 20<sup>th</sup> - Planning Commission meeting – 7:00 p.m.
  - May 21<sup>st</sup> - Public Hearing re FY 08-09 Budget – 6:30 p.m.
  - May 26<sup>th</sup> - MEMORIAL DAY HOLIDAY – Office Closed
  - May 31<sup>st</sup>-June 1<sup>st</sup> – MS Bike Tour - Gazebo Park
  - June 7<sup>th</sup> - Bay Challenge Fishing Tournament
  - June 17<sup>th</sup> – Wastewater Plant bid opening – 2:00 p.m.
  - June 17<sup>th</sup> - Planning Commission Meeting – 7:00 p.m.
  - June 23<sup>rd</sup> – Town Council Meeting

IX. Mayor and Council Comments. Councilman Fosque brought up the Christmas Parade again. A rehashed discussion followed regarding dates, days and times for the parade. The Administrative Assistant was requested to survey Onancock churches regarding times of their services on Sundays. Councilman Fosque asked for a definitive update regarding the Ethel Lewis. The Town Manager was directed to write a letter to Steve Walton for the status of the project. He noted that the large parking lot is being used by Charter Communications to park their business trucks. Discussion ensued regarding the rightness vs wrongness of this situation. He suggested Council think about the various options regarding the parking of commercial vehicles.

Councilwoman Oswald does not think the Town is being fair to raise any kind of taxes or salaries. She wants the Town to “hold the line”.

Councilman Miles directed the Town Attorney to look into paying only one tax to the Town, rather than a Town tax and a County tax.

Councilwoman Runniger asserted that Council had worked for a long time on the budget. The Personnel Committee has done comparisons on salaries with other salaries on the Shore and has tried to bring them in line. They thought their recommendations made in February were very reasonable, and there was no comeback from Council. Councilwoman Oswald tried to argue that this was not fair in these economic times.

Councilwoman Wescott advised that Lisa Blanchard’s yard needs cutting.

Councilman Miles made a motion to adjourn, Councilwoman Runniger seconded the motion, and it passed unanimously.

The meeting adourned at 7:45 p.m.

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Susan D. Scott  
Town Manager

Bruce Paone  
Mayor

Attachments:

Check Register  
Wastewater Plant Report  
Police Report  
Wharf Report

