

Town of Altavista

Town Council

Work Session Agenda

J.R. "Rudy" Burgess Town Hall
510 7th Street
Altavista, VA 24517

Tuesday, July 28, 2015

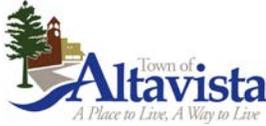
5:00 PM Council Work Session

1. Call to Order
2. Agenda Amendments/Approval
3. Public Comments –Agenda Items Only
4. Introductions and Special Presentations
5. Items Contingent for the Regular Meeting
 - a. Utility Project Financing Discussion
 - b. Carryover Funds (FY2015 to FY2016)
 - c. Virginia Telecommunications Planning Initiative – Phase II
6. Items Scheduled for the Regular Meeting Agenda
7. Public Comments – Comments are limited to three (3) minutes per speaker.
8. Adjournment

NEXT SCHEDULED REGULAR TOWN COUNCIL MEETING: **TUESDAY, AUGUST 11, 2015 @ 7:00 p.m.**

Notice to comply with Americans with Disabilities Act: Special assistance is available for disabled persons addressing Town Council. Efforts will be made to provide adaptations or accommodations based on individual needs of qualified individuals with disability, provided that reasonable advance notification has been received by the Town Clerk's Office. For assistance, please contact the Town Clerk's Office, Town of Altavista, 510 Seventh Street, Altavista, VA 24517 or by calling (434) 369-5001.

Thank you for taking the time to participate in your Town Council meeting. The Mayor and Members of Council invite and encourage you to attend whenever possible because good government depends on the interest and involvement of citizens.



Town of Altavista, Virginia Work Session Agenda Form

Meeting Date: July 28, 2015

Agenda Item: Utility Project Financing Discussion

Summary: The Town has decided to move forward with the Main Street Water Line Replacement Project (Project 1b) and the Melinda Tank High Pressure Zone Project. The Main Street project is currently in the process of being rebid and the Melinda Tank project is the final design phase. Previous discussions by Council have focused on the best method by which to finance the projects and staff has provided to Council information on different borrowing options.

Attached is a memo from staff indicating the borrowing options and the steps in the process. Staff will be seeking direction from Council on this matter.

Staff Evaluation: With the relatively low rates and the possibility that additional projects will follow at some point, the current borrowing climate seems favorable for the Town.

Budget/Funding: Will depend on the method utilized.

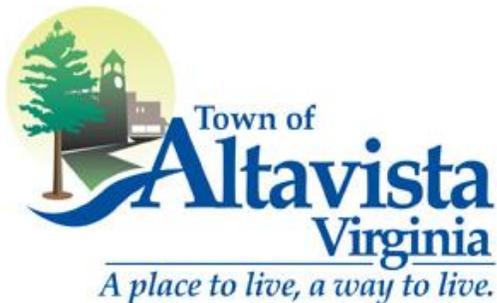
Legal Evaluation: The Town Attorney will be available to address legal issues.

Staff Recommendations: Move forward with the borrowing process per the method decided on following Council's discussion.

Attachments: Staff memo

Council Recommendations:

- Additional Work Session Regular Meeting No Action
Consensus Poll on Action ___(Aye) ___(Nay)



DATE: July 24, 2015

MEMO TO: Mayor Mattox and Members of Council

FROM: Tobie Shelton

RE: Utility Financing / Main Street Waterline Project 1B & Melinda Tank HPZ Project

Staff would like to begin the process of moving forward with the procurement process of borrowing the funds associated with both the Main Street Waterline Project (Project 1B) and the Melinda Tank High Pressure Zone (HPZ) Project, if this is the path which Council would like to pursue.

Based on the recent bid opening for Project 1B, we are now estimating the two project costs to be closer to \$3 million, slightly higher than the amount we originally estimated. Staff has contacted a bank (for discussion purposes) to obtain various terms and rates for borrowing \$3 million. (Please refer to attachment 1A) In addition to the project costs, the cost of the financial advisor's services to circulate the bank request for proposal would be \$8,000 and the cost of Bond Counsel to render a legal opinion regarding the authorization and issuance of the new debt would be between \$12,000 and \$14,000.

If borrowing is the funding source for the two projects, below are the steps necessary to complete the borrowing process:

- Circulate Bank Request for Proposal (This would include financial advisor's services)
- Bank RFP's Due
- First Notice of Public Hearing for issuance of new debt to run in paper
- Present Bank bids to Council
- Second Notice of Public Hearing for issuance of new debt to run in paper
- Town Council meeting including Public Hearing / Adopt resolution for the issuance of new debt
- Decision from Council
- Close Bank Loan (This would include Bond Counsel's services)

Staff is seeking direction from Council on how to proceed.

ESTIMATES FOR DISCUSSION PURPOSES ONLY

5 year (20 year amortization; balloon payment end of 5 years)

\$3,000,000 Interest Rate: 1.99%

Annual Payment: \$ 181,947.60
Balloon Payment: \$2,361,788.90
Total Payment: \$3,271,526.07

10 year (20 year amortization; balloon payment end of 10 years)

\$3,000,000 Interest Rate: 2.25%

Annual Payment: \$ 186,411.00
Balloon Payment: \$1,671,013.09
Total Payment: \$3,535,122.70

15 years

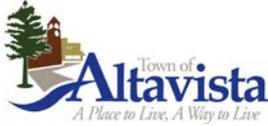
\$3,000,000 Interest Rate: 2.50%

Annual Payment: \$ 240,044.16
Total Payment: \$3,600,662.40

20 years

\$3,000,000 Interest Rate: 3.0%

Annual Payment: \$ 199,655.16
Total Payment: \$3,993,103.20



Town of Altavista, Virginia
Work Session Agenda Form

Meeting Date: July 28, 2015

Agenda Item: Carryover Funds (FY2015 to FY2016)

Summary: Each year, staff reviews items that were budgeted in the previous year and were not completed in order to present to Council a list of carry over items. The attached correspondence from staff sets forth the items we would like to carry over from FY2015 to FY2016.

Staff Evaluation: Approve carryover of stated items.

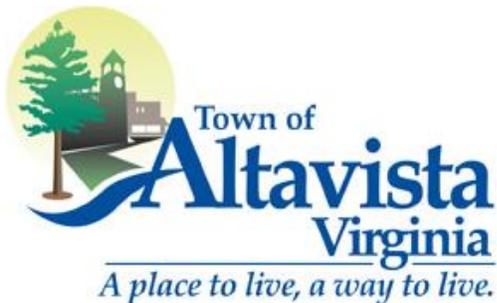
Budget/Funding: This action would take the unexpended funds from the FY2015 Budget and put them into the appropriate reserves and earmark them for the stated use. Once the expenditures are made, staff will present a budget amendment for Council's approval.

Legal Evaluation: The Town Attorney will be available to address legal issues.

Attachments: Staff memorandum regarding carryovers

Council Recommendations:

- Additional Work Session Regular Meeting No Action
Consensus Poll on Action ___(Aye) ___(Nay)



DATE: July 24, 2015

MEMO TO: Mayor Mattox and Members of Council

CC: Waverly Coggsdale

FROM: Tobie Shelton

RE: FY 2015 / Year End Carryover

Staff is requesting to carryover unexpended funds totaling \$246,375 for items/activities that were originally budgeted in FY 2015 that were not purchased/completed during the fiscal year. Staff has identified a need for these items and would like to earmark funds in reserves for the intended items and request a budget amendment to transfer in the funds once items are ready to be purchased.

Below is a list of the items that staff would like to acquire during FY 2016, which covers the period July 1, 2015 through June 30, 2016.

Council / Administration

\$10,000 to replace Town Council computers with newer technology and upgraded software. These computers are currently 6 years old, which is a reasonable life expectancy.

Transportation

\$6,375 for installation of bus shelters. The shelters were purchased in the FY 2015 budget year; however installation was not ready to begin prior to June 30th, the end of FY 2015 Budget.

Economic Development

\$40,000 to cover a housing study and marketing to include such items as Branding: Tag line development, a series of new ads as well as printed materials.

Water

\$50,000 for water tank maintenance and repair. Staff was anticipating work to begin prior to June 30th on the water tanks; however we were unable to begin to do addressing the Bedford Ave. water tank issue. *(Note: Currently \$50,000 is earmarked in reserves for this purpose)*

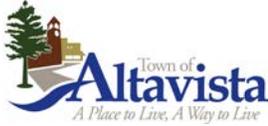
Wastewater

\$90,000 to replace 1992 International tandem dump truck. This vehicle is used daily to haul sludge to the landfill. This is the only vehicle the Town has for this use.

\$50,000 to replace PLC for Press System. This system controls the operation of the Plate Frame Press used to process sludge for landfill applying. Parts are becoming unavailable for this critical piece of equipment.

In addition to the carryover request of unexpended funds, Staff would also like to request to use \$56,000 of unexpended FY 2015 Wastewater CIP Funds to rebuild the bar screen at our wastewater facility. Several CIP items totaling \$125,500 were not replaced at our Wastewater Treatment Plant as planned because the equipment was operating efficiently. These items are included in the FY 2016 CIP Budget. Staff has identified the need to replace this piece of equipment and would like to request to use \$56,000 of the unexpended funds.

I respectfully request your approval to earmark funds for the above listed items totaling \$302,375 in reserves to be expended during FY 2016.



Town of Altavista, Virginia Work Session Agenda Form

Meeting Date: July 28, 2015

Agenda Item: DHCD Virginia Telecommunications Planning Initiative Update

Summary: Previously staff received approval from Town Council to pursue funding for a planning grant for broadband development. At this point, we have been approved to move to the next phase of the process and staff will provide an update.

Staff Evaluation: Creation of a strategic plan regarding a community broadband network would prove beneficial.

Budget/Funding: It is staff's understanding that if the Town is approved for a \$50,000 grant, there would be a \$7,500 match.

Legal Evaluation: The Town Attorney will be available to address legal issues.

Attachments: Economic Development staff report

Council Recommendations:

- Additional Work Session Regular Meeting No Action
Consensus Poll on Action ___(Aye) ___(Nay)



VHCD Virginia Telecommunications Planning Initiative

July 20, 2015

The Office of Economic Development invited us to attend a workshop as one of 13 communities in the state of Virginia participating for a broadband planning grant. We have been selected as a TIER I participant; meaning that we are eligible for a grant award of \$75,000.00. If selected we will have nine months to complete the project. We must also allocate a 15% cash match for the grant of \$11,250.00. We must review our initial LOI and outline and demonstrate how we will develop a plan focusing on economic development outcomes.

The following is an overview of the communities that will be participating and key areas of the grant application to work towards.

Communities participating include:

- Albemarle County
- City of Chesapeake
- City of Roanoke
- Town of Clifton Forge
- Town of Nicholasville
- Town of Altavista
- Pulaski County
- Culpeper County
- Bland County
- Highland County
- Bath County
- New Kent County
- Augusta County
- Roanoke County

Important dates:

- August 7, 2015 Application is due
- Announcement of winners in late September

We will need to conduct a second public hearing or town meeting and focus on the proposed local needs. From this second meeting we will have to provide VA DHCD the following: An agenda of the meeting; detailed minutes; and a sign in sheet or attendance sheet. The focus of the meeting will be to outline the specific needs of the community stakeholders on the development of the broadband plan. We need to hold a town meeting and focus on what the planning process is and how we plan on implementing the study. As with the LOI our focus is on economic development and we must demonstrate how an improved broadband infrastructure will assist us in our economic development activities. We must outline some proposed uses of broadband and its uses in the following areas:



- Tele-Medicine
- Workforce Development
- Tele-Work/Tele-commuting
- E-Commerce
- E-Government
- Public Safety
- Tourism
- Education
- Tourism
- Business Assistance/ Entrepreneurship



VHCD Virginia Telecommunications Planning Initiative

May 13, 2015

The Office of Economic Development is developing a planning grant for submission to the Virginia Department of Housing and Community Development (DHCD) to assist Altavista in the development of a strategic plan for broadband development. The VATPI grant program will allow Altavista to work with existing providers and other officials in developing a strategic plan for a community based broadband network.

If awarded a grant the community will be able to develop:

- An assessment of the current broadband availability and usage in Altavista
- Address demand aggregation and potential future use
- Address the relationship with regional planning and telecommunication networks
- Address community development applications
- And the design of a community broadband system

We are developing a Letter of Intent (LOI) and will submit the LOI by Friday May 22, 2015. Eight communities from the state will be selected to receive up to \$75,000.00. Our LOI will focus on the following areas:

- Statement of need: What is the current state of the availability of broadband in the community
- Outline any prior experience with planning or developing a strategic plan for telecommunications and or broadband development
- Collaboration and community support: On Wednesday May 13, 2015 we will conduct a public meeting to address the needs of our citizens. We also developed a web based survey asking respondents to address twenty questions in regard to their internet service.
- Identify stakeholders: We will develop a committee of interested officials and citizens that will work on the planning committee if we are awarded the planning grant.

Important dates:

- May 22, 2015 Submission of the LOI
- June 1, 2015 DHCD notifies communities that are being selected to participate in the grant process
- Late June/July DHCD hosts a training session for the grant process
- July 17, 2015 Deadline for submission for full applications
- August 2015 Announcement of grant winners