

***MINUTES OF A TOWN COUNCIL WORK SESSION
TOWN OF LURAY, VIRGINIA
Tuesday, March 24, 2015***

The Luray Town Council met in a work session on Tuesday, March 24, 2015 at 5:30 p.m. in the Luray Town Council Chambers located at 45 East Main Street, Luray, Virginia at which time there were present the following:

Presiding: Barry Presgraves

Council Present: Ronald Vickers
Jerry Schiro
Leroy Lancaster
Joey Sours
John Meaney

Also Present:

Charlie Hoke, Town Manager
Bryan Chrisman, Assistant Town Manager
Mary Broyles, Clerk-Treasurer
Danielle Babb, Deputy Clerk Treasurer
Jason Spitler, Town Attorney
Jeff McMillan, Page News and Courier
Lowell Baughan, Page Public Library
Meredith Houff, Page Public Library
Denise Courtney, Luray High School After Prom
Denae Alger, Luray High School After Prom

A quorum being present, Mayor Presgraves led members in the United States Pledge of Allegiance. The roll was called with no members absent.

Updates and Discussion Items

Page Library- Lowell Baughan

Mr. Lowell Baughan briefed members on the issues currently faced by the Page Public Library. Mr. Baughan explained that Page County is a part of the Massanutten Regional Library system. He said that regional library systems were initially established by the state so that small communities, such as ours, could join with larger communities to receive broader services than that of an individual library. The regional library system must contain two independent libraries and serve at least two jurisdictions. The Massanutten Regional system is made up of Rockingham County, City of Harrisonburg, and Page County; and the two independent libraries within the system are the Page Public Library and the Rockingham Public Library. Recently the state has become concerned with the level of local government support for public libraries and have determined that in order for regional library systems to continue they must meet minimum standards for local support. Currently, the Massanutten Regional Library system does not meet this minimum for support. The state has provided a five year plan to increase the local contribution in order to meet this minimum and continue to receive state

funding. If the five year program is not met, then all funding will be lost. Mr. Baughan explained that Harrisonburg City and Rockingham County have agreed to meet the five year plan, but Page County has not yet determined if they are able to do so. The proportional share for Page County is approximately \$170,000. If the five year plan is not met, all aid will be terminated. If Page County does not agree to meet the funding and the other two localities have done so, then the Page Library will be dropped from the regional status.

Mr. Baughan explained that losing the regional status would mean that the books, computers, equipment, and staff would all be removed from the Page Library since they are owned by the regional system. He suggested that trying to maintain an independent state accredited library in Page County would cost in excess of \$400,000 dollars annually. Mr. Baughan stressed that the least expensive option is to keep the regional status.

Mr. Baughan said that the town's contribution to the library does count toward local government support but is returned to the Library Association in order to fund building maintenance. He pointed out that the regional library system does not own any actual buildings and that all of the buildings/branches are owned by the towns or non-profit corporations. For example, the local building is owned by the Page Library Association which is a non-profit corporation.

Mr. Baughan explained that the Stanley library fell out of the system when the state required the regional library system to downgrade two libraries to non-branch status. The determination was based on the lowest amount of traffic. The county is currently providing support to the Stanley Library.

Mr. Baughan said that there are about 10,000 card carrying members of the Massanutten Regional Library System in Page County. He said that the membership also allows participants access to over 187,000 titles. Councilman Sours inquired about the local share of funding. Mr. Baughan explained the funding ratio and allotment per capita. Councilman Vickers asked what the Council can do to assist with this concern. Mr. Baughan said that the decision rests with the County Board of Supervisors and members should discuss with their district supervisor. Mayor Presgraves said it would be a travesty to have our local library closed.

Ms. Meredith Houff said that the Library Association is requesting \$6,000 in funding this year from the town and was awarded \$4,500 last year. She said that these funds directly benefit the library for maintenance costs.

Councilman Schiro said that the impact is really about the services that stand to be lost. Mr. Baughan agreed that many individuals are using the library to apply for jobs and students are using the internet access. Mr. Baughan said that if the library is dropped from the regional system the status will not be regained. Mr. Baughan provided a copy of the five year contribution schedule for council's information. Mayor Presgraves thanked Mr. Baughan for advising members of this concern.

Luray High School After Prom – Denise Courtney, Denaé Alger

Denise Courtney and Denaé Alger spoke on behalf of the Luray High School Junior Class regarding the annual After Prom Event. Miss Courtney said that the event is an effort to keep both students and the community safe on prom night. Miss Alger said that the event is only possible with the support of the council and the local community. She said that past support is greatly appreciated and requested that the Council again support this event.

Mayor Presgraves said the funds were not allocated in contributions but the other line items will be able to support the donation. He stressed that it is extremely important to fund a cause such as this and to keep the students safe.

Motion: Councilman Vickers motioned to approve the contribution of \$1,000 to the LHS After Prom, motion seconded by Councilman Schiro with the vote as follows: YEA: Council Members Vickers, Schiro, Lancaster, Sours, Meaney. **Approved 5-0**

South Court Street

Assistant Town Manager, Bryan Chrisman, said that South Court Street has been an issue before the Council for several meetings and hopefully now there is enough information to make a final action on this. Mr. Chrisman said the two areas of limited access include the Smythe and Sedwick residences. He said that the street in this area is too narrow to permit any on-street parking whatsoever. Most residents prefer to move all parking in this particular section of South Court Street to the east side of the road where it is feasible. The option also requires the shifting of the centerline to accurately share the right-of-way surface, and to eliminate parking on the west side of the street through this section only. Mr. Chrisman discussed the problems faced by both the Sedwick and Smythe residences. He also discussed other suggestions obtained from the resident surveys. Mr. Chrisman also discussed that on street parking in certain areas does act as a “traffic calming” device and tends to slow the overall pace of traffic. He noted that the prominent concern of residents is to indeed slow the traffic in these narrow sections. Mr. Chrisman explained that by relocating the center line of the street, there will be equitable sharing of the available width; thus promoting safer driving and safer parking. Mr. Chrisman said that the town will be re-paving this section after the detour zones for the bridge project are removed. If the option selected by Council this evening needs to be modified, it could easily be done at that time. Council’s consensus was to move forward with this plan as discussed.

Intersection Improvements

Assistant Town Manager, Bryan Chrisman, presented several photos in Council’s packet of proposed intersection improvements that have been needed for some time. The first improvement involves the intersection of Collins Avenue and East Main Street. This would involve restriping and pushing back the location of the left turn stop bar. The next improvement involves Court Lane and Memorial Drive and would only involve line marking to provide better sight distance. The intersection of Garfield Avenue and High Street would be improved by relocating the stop sign to the correct side of the road. Also, this area can be improved by a raised island for the stop sign. Improvements to West Main Street and Cole Street would involve the relocation of the stop sign and moving the stop bar marking. The next improvement has been a topic of discussion for some time and involves the intersection of South Court Street and Mill Creek Road. The plans are to enhance the control of the intersection with the proper marking, an island with stop sign, etc. The last rendering is for improvements to the intersection of Amiss, Jamison, Hawksbill Heights, and Luray Ave. Mr. Chrisman said that this will improve school traffic and incorporate some additional pavement and a conforming island.

Mr. Chrisman also discussed parking restrictions that will be necessary because of bridge detour routes. The on-street parking will need to be restricted on Mechanic Street and North Hawksbill Street. Also, Mr. Chrisman discussed the crosswalks on Cave Hill Road in the area of the caverns and museum walkway. He said that the town has assisted them with some additional signage. The Luray Caverns Corporation has also purchased their own traffic control devices and have seen the efficiency of the signals the town has placed at the Mechanic Street Bridge. Mr. Chrisman said that VDOT maintenance funds can be used to implement the same type of signals in the Cave Hill Road location. He noted that the crossing has received approximately 120,000 uses in the past twelve months.

Draft Balanced Budget

Town Manager, Charlie Hoke, said that he is presenting to Council a draft balanced budget and said that it remains a working document. He stated that the town's VDOT maintenance dollars are not being threatened at this time, nor our law enforcement cost share. Mr. Hoke noted that insurance rates have not changed either. Mr. Hoke then reviewed the draft budget by department and noted increases/decreases. He also cautioned that there is a possibility of lower real estate assessments due to a high number of foreclosures in the area. Mr. Hoke cautioned that any decrease in real estate values will impact the town's tax revenue and he has projections accordingly.

Councilman Schiro had previously commented on the reduction in Greenway Program Expenditures. Mr. Hoke said that the decrease was made by the department and that Mr. O'Brien has focused on an increase in contributions for events. Councilman Schiro asked that staff find out exactly what items have been cut.

Mr. Hoke said that he would coordinate with Mr. O'Brien and get an answer out in the weekly report. Staff also noted a slight increase in the Planning and Zoning department for the engineering review of three upcoming projects. Mr. Hoke noted that the budget includes funding of \$30,000 for LDI in the upcoming year. He said that a formal request from LDI has not been made at this time and the funds could be distributed incrementally if council so chooses. Council members discussed LDI's reorganization and progress to date.

Mr. Hoke reviewed the general fund debt service and total general fund expenditures. Councilman Schiro asked about the status of a potential loan consolidation between the Brown's building and little league park loans. Mr. Hoke advised that he did not want to commit any additional principal at this time and has no plans to consolidate. Councilman Schiro said that interest rates may be higher down the road and that combining the two loans is an attractive package. Councilman Lancaster said that he would like to see the little league park paid off in the near future.

Council and staff discussed the town's water loss study and measures that are being taken to reduce the overall production at the water treatment plant. Mr. Hoke discussed funding for scada upgrades for the PAL system. Mr. Hoke and Councilman Sours discussed the vulnerability of the system and recommendations from the vendor. Mr. Hoke said despite the cost to upgrade, this is not a system we want to lose. Mr. Hoke also presented the debt service for both water and sewer funds and the capital outlay funds.

Councilman Schiro requested to look at the projected revenues and said that he is concerned about pulling funds from reserves and also about deferring necessary capital improvements. Councilman Schiro said that he feels next year's budget is going to be even tighter. He said that he is not an advocate of tax increases but that the town has some major projects going on and operating expenses are not getting any cheaper. Mr. Hoke said that Council has previously approved setting aside \$75,000 per year for the bridge project reserves. Mr. Hoke provided members with revenue projections based on a .01 cent increase on real estate tax and .01 cent increase on personal property tax. He added that the town's personal property tax rate has remained at .40 cent/100 for approximately the last 40 years. Councilman Schiro reminded that the Council just amended the personal property tax code to annual billing. Mr. Hoke said that he is also recommending a 1% increase in water and sewer rates per the Carl Brown Study. Mr. Hoke said that the reassessments are going on now and will affect future revenues. Based on information from the Commissioner of Revenue, Mr. Campbell, assessments may go down as much as five to ten percent. Councilman Schiro said that several years ago the Council had to raise taxes significantly due to underestimated expenses and over-projected revenues. He said that the more we defer these items the more expensive it is to make them up. Councilman Vickers concurred that ceasing capital improvements will only defer future problems. Council members and staff continued to discuss capital improvements, the bridge project, and the overall impact on the town's fund balance. Mr. Hoke asked if staff

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should prepare scenarios for an increase in personal property and real estate taxes. Council agreed for staff to prepare these drafts accordingly. Councilman Vickers expressed concern that the draft doesn't provide for a cost of living increase for employees. Councilman Schiro said that if we hold costs the same it often means cutting services. He said that many people have worked very hard to achieve the town's level of services and programs and he would hate to see this decline. He said that getting behind in our capital programs would be unfortunate. Councilman Lancaster pointed out some of the small revenues that are being forgone. Some of those include the lack of business license requirement for the Farmers Market and the Market Collective participants. He said that these small items will accumulate and don't benefit all citizens. Mayor Presgraves said that he is not opposed to holding a special meeting if further budget review is needed in order to meet the required deadlines.

Contributions

Town Manager, Charlie Hoke, stated that he would go ahead and bring up contributions while members are looking at the budget. He would like for Council's input on how to allocate the \$25,000 in total contributions. Councilman Schiro said that during last year's budget process, members had agreed to stop providing arbitrary donations other than those that are directly related to governmental activities. Members discussed adding in the After Prom, since funds were allocated this evening and would need to be budgeted for next year if this donation is to continue. Also members discussed cutting the contribution to the Luray Rescue Squad since they are funded by Page County's budget. Mayor Presgraves advocated continued support of the After Prom as it is a good activity to keep students safe. Councilman Vickers said he has a hard time discounting any of these organizations to give to another cause. However, Mr. Vickers said he is concerned for the library. Council members discussed the funding to the Chamber of Commerce and noted that a portion of transient occupancy tax must be reallocated to this organization. Council members discussed that they should not determine how taxpayers make their contributions. Councilman Schiro maintained that these amounts should be only those that are governmental services; that without these organizations the town would be responsible for providing these services. Mayor Presgraves noted that all of these contributions are in the best interest of the citizens which is what members are elected to do. Councilman Sours said that he is concerned that citizen income is not increasing and that costs continue to increase. Councilman Lancaster suggested that we are providing the Chamber with many ancillary services. Mr. Hoke cited that Council is suggesting \$6,000 to the Page Public Library, \$1,000 to the After Prom, Luray Fire Department \$7,000, Pals remaining at \$5,000, and \$6,000 to the Chamber/Tourism, and no funding for the Luray Rescue Squad for a total of \$25,000 in funding.

Mr. Hoke concluded the budget discussion by stating that the draft budget deadline has been met. Council agreed to discuss the budget again at the work session meeting in April. Mr. Hoke said that he will prepare a draft that includes the proposed tax increase and increase in water and sewer rates. Council also discussed advertising for the public hearing on the proposed tax increase.

EXECUTIVE SESSION

Personnel, Section 2.2-3711.A.1

Real Property, Section 2.2-3711.A.3

Mayor Presgraves requested a motion to adjourn into Executive Session for the purpose of discussing matters relevant to Section 2.2-3711.A.1 and Section 2.2-3711.A.3.

Motion: Councilman Lancaster motioned to recess the regular session and to convene in executive session; Councilman Vickers seconded the motion with the following members voting YEA: Council Members Vickers, Schiro, Lancaster, Sours, Meaney. **Approved 5-0**

Motion: Councilman Lancaster motioned to adjourn the closed session and to reconvene in open session; Councilman Sours seconded the motion with the following members voting YEA: Council Members Vickers, Schiro, Lancaster, Sours, Meaney. **Approved 5-0**

Mayor Presgraves asked members of Council to certify that to the best of their knowledge only matters covered under Section 2.2-3711.A.1 and Section 2.2-3711.A.3 were heard, discussed, or considered during the closed session. **The roll was called with all members certifying "Yes".**

Mayor Presgraves asked members if they would like to take action on business discussed during the Executive Session.

Motion: Councilman Vickers motioned to appoint Mr. Jerry Dofflemeyer to the vacant council seat; Councilman Lancaster seconded the motion with the following members voting YEA: Council Members Vickers, Schiro, Lancaster, Sours, Meaney. **Approved 5-0**

Adjourn

There being no further business, Mayor Presgraves adjourned the work session of the Town Council at approximately 8:36 pm.

Danielle P. Babb
Deputy Clerk-Treasurer

Barry Presgraves
Mayor