

**A REGULAR MEETING OF
THE TOWN COUNCIL
OF THE TOWN OF LURAY, PAGE COUNTY, VIRGINIA**

MONDAY, FEBRUARY 14, 2011

The Luray Town Council met in regular session on Monday, February 14, 2011 at 7:00 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: Mayor Barry Presgraves

Council Present: Ronald Vickers
Lonnie Arrington
Mary Menefee
Leroy Lancaster
Jerry Schiro
Earl Racer

Also Present: Rick Black, Town Manager
Bryan Chrisman, Assistant Town Manager
Mary Broyles, Treasurer
Danielle Babb, Deputy Clerk-Treasurer
Jason Spitler, Town Attorney
Ligon Webb, Town Planner
Lynn Mathews, Superintendent of Public Works
Charlie Hoke, Director of Utilities
Sergeant Junior Roy, Luray Police Department
Liz Lewis, Luray Downtown Initiative
Briana Campbell, Luray-Page County Chamber of Commerce
Lowell B. Baughan
Jason and Penny Pettit
Powell Markowitz, Luray Page County Airport Commission

A quorum being present, Mayor Barry Presgraves declared the Council to be in session for the transaction of business. All present stood for a moment of silence. All present then recited the United States Pledge of Allegiance.

CONSENT AGENDA

Motion: Councilman Arrington motioned to approve the Consent Agenda, motion seconded by Councilman Lancaster with the vote as follows: YEA: Council Members Vickers, Arrington, Menefee, Lancaster, Schiro, Racer. **Approved 6-0**

Consent Agenda

- A) *Minutes of January 10, 2011 Regular Council Meeting.*
- B) *Minutes of January 25, 2011 Work Session.*
- C) *Financial Report for the period January 1 –31, 2011.*
- C) *Accounts payable checks totaling \$258,347.36.*

SPECIAL RECOGNITION

Mayor Presgraves presented a Proclamation on behalf of the Mayor and Town Council to Mr. Lowell Baughan for his contributions to the Economic Development Authority. Mr. Baughan served on this committee for thirty-two years. Both Mr. and Mrs. Baughan were present at the meeting. Mr. Baughan accepted this recognition and said that he has been a long time advocate of community service and hopes that he has made improvements to his community.

PUBLIC HEARING

A) Amendments to the Town’s Zoning Ordinance (Section 516, Accessory Dwelling Units)

Town Planner, Ligon Webb, presented information regarding amendments to the Town’s Zoning Ordinance regarding Accessory Dwelling Units. Mr. Webb said that these amendments are simply improvements to the code and address water and sewer issues for the accessory unit. The amendment also addresses the requirement or waiver of separate water and sewer connections and fees. Mayor Presgraves opened the public hearing for citizen comment. With no comments from the public, the hearing was closed. Councilman Schiro questioned if there would be a minimum charge for water and sewer for the accessory dwelling unit. Mr. Webb stated that the way the ordinance is written; this can be determined on a case by case basis. Mr. Webb clarified that the ordinance permits the waiver of a separate meter. Councilman Racer suggested that the wording of the ordinance be clarified. Mr. Webb and Council members agreed to revise the wording slightly in order to clarify this area of the amendment.

Motion: Councilman Vickers motioned to approve the Amendments to the Town Zoning Ordinance regarding Accessory Dwelling Units with the slight revisions to wording as discussed by Council and Staff, motion seconded by Councilman Arrington with the vote as follows: YEA: Council Members Vickers, Arrington, Menefee, Lancaster, Schiro, Racer. **Approved 6-0**

B) Special Use Permit- Jason and Penny Pettit (111 North Court Street- Accessory Dwelling Unit)

Mr. Webb presented information for the special use permit request from Jason and Penny Pettit. The applicants are requesting a special use permit to convert an existing accessory structure into an ADU. The subject property is zoned R3. In the R3 district an accessory dwelling unit is allowable by special

use permit. Mr. Webb said he cannot think of a better location for an ADU than the Pettit's structure. He said that this was the type of location that he envisioned when the ordinance was originally implemented. Mr. Webb stated that the planning commission unanimously approved the special use permit request at the January 12, 2011 meeting. In addition, Mr. Webb advised that the planning commission determined that a separate meter would not be practical since the original water and sewer connection to the unit was made many years ago.

Mayor Presgraves opened the public hearing for citizen comment. One neighbor of Mr. and Mrs. Pettit spoke in favor of the unit. Mr. Jason Pettit, 111 North Court Street, spoke to Council regarding his request. Mr. Pettit explained that he began the application process back in November and that it has been a learning process. He said that he understands how this can be a challenge when this is a totally new process for the town. Mr. Pettit also said that he anticipated there being some kinks to work out during this process. He said that he has heard some mention of an additional minimum usage charge for water and sewer. Mr. Pettit emphasized that this is not an income producing event for his family. He stated that due to economic times and other factors; his mother-in-law will be moving into the unit. Mr. Pettit explained that this will be a significant investment for him to upgrade the existing facilities into a comfortable living space. He feels that asking for these fees to be waived is not an extraordinary request. Mr. Pettit stated that he has tried to do everything correctly regarding the improvements to the unit and that he has gone through the appropriate due process; he is merely waiting for Council's approval to go forward. Mr. Pettit said that he would hate to be penalized for following the due process. He then gave a brief history of the building. Mayor Presgraves said that he feels these circumstances are why the ADU Ordinance was enacted and that this is the perfect situation for this process. With no further comments, Mayor Presgraves closed the public hearing.

Motion: Councilman Vickers motioned to approve the Special Use Permit with no additional fees, motion seconded by Councilman Arrington with the vote as follows: YEA: Council Members Vickers, Arrington, Menefee, Lancaster, Schiro, Racer. **Approved 6-0**

Councilwoman Menefee asked if Council should revisit the ordinance amendment regarding the fees. Councilman Arrington said that he feels that the minimum use fee should be considered on a case by case basis. Mr. Arrington said that he feels this is a good housing option for senior citizens. Councilman Schiro said that he would like to see this minimum waived for future users as well. Ligon Webb, Town Planner, stated that he will bring this before Council again in the future and a determination can be made whether to eliminate the minimum fees entirely. Councilman Schiro stated that this would be a good topic for a work session. Councilman Racer stated that he would like to see Council be fair in regards to the minimum fees and keep a standard decision. Councilman Lancaster said that the circumstances may be different for an ADU that is income producing. Council agreed to discuss the subject at a later work session.

GENERAL CITIZEN COMMENT

Deanna Teter: People to People Student Ambassador Program

Miss Deanna Teter spoke before Council to request a contribution for her upcoming trip. Miss Teter stated that she is currently a senior at Luray High School and will be attending a trip to Europe through the People to People Student Ambassador Program. Miss Teter provided a brief summary of the

program. She explained the application and interview process that was required in order to achieve this opportunity. Her trip will include visits to the British Isles, England, Ireland, Scotland, and Wales. Miss Teter stated that the total cost of the trip is around \$7,000 dollars and that she has held several fundraisers to assist with the cost. Councilman Vickers told fellow council members that he has taught Deanna at Luray High School and that she is an excellent student; he would like to see Council offer her some assistance.

Motion: Councilman Vickers motioned to approve a contribution of \$500.00 to Deanna Teter for the People to People Student Ambassador Program, motion seconded by Councilman Arrington with the vote as follows: YEA: Council Members Vickers, Arrington, Menefee, Lancaster, Schiro, Racer.
Approved 6-0

Mayor Presgraves asked Miss Teter to please return to Council after her trip and tell members about her tour of Europe.

TOWN AFFILIATED BOARDS AND COMMISSIONS

Luray Downtown Initiative

Liz Lewis stated that LDI is hosting the first merchant meeting of the year next week. She hopes that the discussion of the meeting will advise LDI of the wants and needs of local businesses. Ms. Lewis stated that the new rack card for 2011 events is ready for printing. She advised Council that work has begun on the Festival of Spring and that vendor applications are already arriving. Ms. Lewis said that a map for the festival will be implemented this year to detail the locations of various interest points. The annual LDI fundraiser will be held in September. Lastly, Ms. Lewis announced that she has accepted the position of part time director of LDI.

Luray/Page County Chamber of Commerce

Briana Campbell said that she also plans to be at the upcoming merchants meeting. Ms. Campbell reviewed the statistics for January; citing 405 calls and 368 walk-ins. Ms. Campbell said that the Business after Hours for this Thursday will be held at Appalachian Outdoor Adventures. She added that Town events are beginning to be added to the Shenandoah National Park Anniversary website. Three of the town's major events will be included on the website. Ms. Campbell said that the annual Tourism Kick-Off will be held on March 10, 2011 at the BB&T Center.

Councilwoman Menefee asked who the target audience would be for the tourism meeting. Ms. Campbell said that it will be open to all members of the public but will target tourism businesses. Ms. Campbell said that information was published in the Page News and Courier for persons who would like to begin receiving the chamber newsletter. Ms. Campbell stated that this was in response to Mr. Vickers request at the last Council meeting and has yielded a few participants.

Luray Page County Airport Commission

Mr. Powell Markowitz provided Council and staff with the audit report for the year ended 2009. Mr. Markowitz said he has spoken with the audit firm and they will be scheduling the 2010 audit work very

soon. Mr. Markowitz advised Council that he is still working on the fuel tank issue and on negotiations with a mechanic. Mr. Painter has advised Mr. Markowitz that six hangar units remain available for lease. Councilwoman Menefee asked for more information on the status of a mechanic. Mr. Markowitz advised that he believes the mechanic has been given a better offer. Lastly, Mr. Markowitz said that he plans to schedule a commission meeting for March 2011.

DEPARTMENTAL REPORTS

POLICE – PUBLIC SAFETY AND EMERGENCY SERVICES

Police Chief, Page Campbell, was not present at the meeting. No Police report was given.

PARKS AND RECREATION

Town Manager, Rick Black, also discussed the rack card calendar of events for 2011. Mr. Black explained that the card is much like a brochure and provides a listing of all events for the Town of Luray and for Performing Arts Luray for the calendar year.

PUBLIC WORKS DEPARTMENT

Lynn Mathews, Superintendent of Public Works, said that the department repaired three water leaks this month and had responded to nine sewer calls. Upcoming projects for the department include roadside clean-up, street sweeping, storm drainage work, signs, and displaying flags.

WTP AND WWTP

Charlie Hoke, Director of Utilities, stated that the water system was operating as designed. He said that the system is very reliable and that all samples were negative.

Mr. Hoke advised that the wastewater plant was operating very well and was meeting all limits. He stated that the wastewater plant is in compliance with all regulations.

PLANNING

Mr. Webb advised that the Planning Commission will be working on defining “electronic offices” at their next meeting. He advised that he will discuss this with Council at the work session.

Mr. Webb said that he has spoken with Travis Clark of Valley Health (Page Memorial Hospital) regarding the rezoning of the hospital site. Mr. Webb advised that the site should be zoned commercial but that a B1 zoning is also a possibility. Mr. Webb said that Mr. Clark advised him of plans to construct a new hospital in the next 2-3 years. He also told Mr. Clark that the hospital will need to consider budgeting funds for road improvements at the intersection of Memorial Drive and West Main Street. Councilman Racer and staff discussed various traffic pattern options for this intersection.

NEW BUSINESS

Board of Zoning Appeals Appointments

Town Manager, Rick Black, said that he had received two nominations to the Board of Zoning Appeals.

Motion: Councilman Arrington motioned to appoint Mr. John Dovel and Mr. “Doc” Brown to the Board of Zoning Appeals, motion seconded by Councilman Vickers with the vote as follows: YEA: Council Members Vickers, Arrington, Menefee, Lancaster, Schiro, Racer. **Approved 6-0**

Tree and Beautification Committee Appointment

Mr. Black also advised Council that Mr. Ken Beyer has resigned from the Luray Tree and Beautification Committee. Mr. Beyer will continue to serve on the Luray Hawksbill Greenway Foundation. He has served the tree and beautification committee for more than ten years. Mr. Black instructed Council to begin considering a replacement.

TOWN ATTORNEY’S REPORT

Town Attorney, Jason Spitler, discussed the proposed moped safety ordinance which requires operators to utilize safety equipment. The ordinance requires persons operating a moped to wear a face shield, safety glasses, and helmet.

Motion: Councilman Lancaster motioned to approve the ordinance enacting Moped Safety Equipment, motion seconded by Councilman Racer with the vote as follows: YEA: Council Members Vickers, Arrington, Menefee, Lancaster, Schiro, Racer. **Approved 6-0**

EXECUTIVE SESSION

Investment of Public Funds, Section 2.2-3711.A.6 *(Luray Caverns Airport & Lake Arrowhead)*

Mayor Presgraves requested a motion to adjourn into Executive Session for the purpose of discussing Section 2.2-3711.A.6. REASONS: 1) Luray Caverns Airport; 2) Lake Arrowhead.

Motion: Councilman Racer motioned to recess the regular session and to convene in executive session; Councilman Schiro seconded the motion with the following members voting YEA: Council Members Vickers, Arrington, Menefee, Lancaster, Schiro, and Racer. **Approved 6-0**

Motion: Councilman Vickers motioned to adjourn the closed session and to reconvene in open session; Councilman Arrington seconded the motion with the following members voting YEA: Council Members Vickers, Arrington, Menefee, Lancaster, Schiro, and Racer. **Approved 6-0**

Mayor Presgraves asked members of Council to certify that to the best of their knowledge that only matters covered under Section 2.2-3711.A.6 were heard, discussed, or considered during the closed session. **The roll was called with all members certifying “Yes”.**

Mayor Presgraves asked Council if they would like to take action on the Luray Page County Airport Land Acquisition Agreement.

Motion: Councilman Lancaster motioned to approve the land acquisition agreement, motion seconded by Councilman Arrington with the vote as follows: YEA: Council Members Vickers, Arrington, Menefee, Lancaster, Schiro, NAY: Racer. **Approved 5-1**

OLD BUSINESS

Town Manager, Rick Black, provided Council members with a proposed fiscal year 2012 budget timeline. Along with the budget timeline, a capital improvement plan was provided for Council. Mr. Black provided a brief review of the capital improvements listing. Mr. Black advised Council and Staff that the work session will be held next week and that an in-depth draft budget review will take place. He spoke to members on the anticipated loss in revenues due to real estate tax reassessments. This decrease in real estate values may approximate to a \$90,000 overall loss in revenue to the town. Mr. Black said that there is also a possibility of losing the B.P.O.L. tax due to current legislation; thus resulting in a \$255,000 loss to the town.

Mr. Black also spoke to Council about information regarding the line of duty fund which will no longer be funded by the General Assembly. This cost will then be passed on to the locality to cover emergency service personnel. The current number of volunteers for the town amounts to 165 total volunteers. Mr. Black feels that there is little or no chance that the General Assembly will choose to take back the funding of this obligation. The forecasted cost of this liability to the town is estimated at between \$0-\$13,000 and increasing by 50% annually for a term of 4 years. Mr. Black best describes this as an unfunded mandate to the town. He noted that the Virginia Municipal League is working on an identification system for volunteers to be included if this ACT is passed.

Town Manager Black also reviewed the capital improvement budget as a plan of action for the next five years. He feels these items are necessary for the town's infrastructure. Mr. Black discussed the issue of fire suppression in the Forest Hills area. He emphasized that the water supply is sufficient enough for drinking water but not for fire suppression. Mr. Black would like to provide funding for these improvements in the coming budget. Mr. Black also suggested going to paperless agendas for meetings. Staff is also looking into negotiating with Page County to identify the pressure of hydrants with the help of the GIS system.

Mr. Black reminded that while Council is looking at the needs of the capital budget over the next five years, it is important to address the potential losses in revenue. Mr. Black is proposing a 2% increase in the Real Estate Tax Rate in order to keep the town's revenues neutral. Councilman Racer stated that while he appreciated that things are needed, it is important to remember that times are tough for other people as well. Mr. Racer prefers to defer some of the capital improvements until better economic

times. Councilman Vickers clarified that a tax rate increase would keep the town's revenues evenly funded.

Councilman Schiro said that the town needs to be prudent in its responsibilities to provide services to the citizens. Mr. Schiro discussed the recent history of the town's tax rates as they relate to assessed values. Mr. Schiro stated that the town should keep revenues neutral or else next year look at a very hard increase for tax payers. Mr. Schiro suggested advertising this increase to allow this as an option. He feels that without an increase this year, next year the town may be facing a real problem. Councilman Arrington agreed that sooner or later taxes must increase; two cents now will help with this problem. Councilman Racer disagreed and suggested prioritizing the town's wish list. Councilman Schiro recognized that a two cent increase will not eliminate the need to tighten up on spending. Councilman Racer suggested making a list of items to tighten up on, before discussing any increases. Councilman Vickers agreed that prioritizing capital improvements would be a good idea.

Town Manager, Rick Black, provided Council with a copy of the first draft of the budget for review. He noted that the overall budget was decreased by approximately \$400,000 from last year. He stated that the first draft does include a 2.5% cost of living increase for employees. Councilwoman Menefee and Councilman Vickers both requested highlights of the budget to further explain areas of significance. Mr. Black concluded the discussion by advising Council that he will provide a power point presentation for the work session on Tuesday that will detail all areas of the proposed budget.

ANNOUNCEMENTS/ ADJOURN

There being no further business, Mayor Presgraves adjourned the regular session of the Town Council at approximately 9:34 P.M.

Barry Presgraves
Mayor

Danielle P. Babb
Deputy Clerk-Treasurer