

**A REGULAR MEETING OF THE TOWN COUNCIL OF THE
TOWN OF LURAY, PAGE COUNTY, VIRGINIA
Monday, December 14, 2009**

The Luray Town Council met in regular session on Monday, December 14, 2009 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: Nancy Shifflett
Lonnie Arrington
William Menefee
Leroy Lancaster
Jerry Schiro
Earl "Rock" Racer

Also Present: Rick Black, Town Manager
Bryan Chrisman, Assistant Town Manager
Mary Broyles, Clerk-Treasurer
Danielle Babb, Deputy Clerk-Treasurer
Ligon Webb, Town Planner
Jason Spitler, Town Attorney
Page Campbell, Chief of Police
Charlie Hoke, Director of Utilities
Lynn Mathews, Superintendant of Public Works
Karen Riddle, Luray Page County Chamber of Commerce
Catherine Stewart, Luray Downtown Initiative
Luther Johnson, Page News and Courier
Pat Racey, Luray Little League
Nathan Strickler, Luray Little League
Little League Volunteers/ Parents

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

CONSENT AGENDA

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

Consent Agenda

- A) Minutes of November 9, 2009 Regular Council Meeting*
- B) Minutes of November 24, 2009 Council Work Session*
- C) Financial Report for the period November 1 – 30, 2009*
- D) Accounts payable checks totaling \$904,309.74*
- E) Approval of Payment # 7 for the AWOS/Beacon Project totaling: \$2,134.42.*
- F) 2010 Town Council meeting schedule and Town Holiday schedule.*

GENERAL CITIZEN COMMENTS

Robert Spencer, 28 Stoney Brook Lane, Luray-

Mr. Spencer stated that he is representing Luray Little League and has been a volunteer with the league for approximately fourteen years. He emphasized that we are blessed to be surrounded by such beautiful mountains. Mr. Spencer emphasized that he would like to see more visitors come to Luray for sporting event purposes.

Terry Dodson, 38 Antioch Rd., Luray-

Mr. Dodson spoke on the topic of the proposed cigarette tax. Mr. Dodson stated that with this tax come several options for smokers; to purchase elsewhere or to quit smoking. Mr. Dodson stated that he would be in favor of the tax, even as a smoker, if the tax were earmarked for Recreation Park development. Mr. Dodson does not believe that the development of the park is finished. He feels that the funds received from the cigarette tax should be used to further this development.

Mary Ridgeway, 219 Fairview Rd., Luray-

Ms. Ridgeway also spoke on behalf of the Luray Little League; she would also like to see the revenues generated from the cigarette tax used for the development of the Ralph H. Dean Recreation Park.

Terry Lam, 12 Vogt Place, Luray-

Ms. Lam is the owner/operator of the North Star Youth Center in Luray. She is also a volunteer with the Luray Little League and stated that she spends a great deal of time at the park. She told Council of the many compliments she has received on the R.H. Dean Park.

Annette St. Clair, Luray business owner-

Ms. St. Clair stated that she is the owner of Mrs. B's Pizza in Luray. She said that as a restaurant owner she pays a tax on meals and feels confident that the tax revenues are put to

good use. She stated that these revenues along with other tax revenues can be seen by all of the improvements to the town. She spoke in favor of this tax as it may defer increases in other areas of taxation. She emphasized that many people enjoy the recreation park and enjoyed it during last year's tournament. Ms. St. Clair reminded Council members that dollars earned within the town will most likely be spent locally, thus generating a circle of revenue for the town. She stated that she was in favor of a tax that benefits the end consumer.

Greg Foltz, Luray business owner-

Mr. Foltz stated that he is the owner of Flotzie's ice cream, which he emphasized is a very busy summer business. He said that this was obvious during the summer months with many customers being members of local sports teams. He heard many complements from parents on the R.H. Dean Recreation Park. Mr. Foltz stated that it has been a pleasure to watch the park grow and improve, and that he feels former Mayor Dean would be proud of this tax benefiting the park.

Mr. Foltz gave statistics on other nearby municipalities who impose the cigarette tax. He noted that some tax rates were as high as 0.75 cents per pack. He stated that his personal view is that the 0.15 cents proposed rate is well below average in comparison with other nearby areas.

Pat Racey, Luray Little League-

Mr. Racey commended the volunteers who have supported and worked during the tournaments and who have showed their continued support by being present at the evening's meeting. Mr. Racey stated that this is a significant project to be considered. He recognizes that there may be a need to have the proposed cigarette tax and the park improvement project go hand in hand. Mr. Racey stated that in regard to Page Valley Tobacco store customers, they purchase there based on the environment. Mr. Racey feels this is a complement to the store owner. Lastly, Mr. Racey stated that he would like for Council to consider earmarking the revenues from this tax for the park improvements.

Robert Drumheller, 61 Canaan Street, Luray-

Mr. Drumheller stated that he is not on the Board of Directors for the league, nor is he up-to-date on the cigarette tax issue. However, he did say that we all pay taxes either as citizens or business owners. He feels that Luray has made wise decisions on its capital improvement spending. He complemented the nationally known Luray Hawksbill Greenway Trail, stated that he takes pride in the recreation park, and is proud of the Imagination Station Project that was completed a few years ago. Mr. Drumheller stated that it is up to the Council to determine if the capital improvements to the recreation park will be good for the community. He noted that his business saw an increase in sales the week of last year's local tournament. Mr. Drumheller stated that he would like to see the revenues of the tax be earmarked for the community, rather than offset the town's overhead expenses. He emphasized that as a business owner he too pays a usage tax with no recourse, as would tobacco vendors.

Ron Vickers, 6 Lewis St., Luray-

Mr. Vickers stated that he is a teacher at Luray High School. With the new location he has concerns that there are no flashing lights at the school entrance or a reduced speed limit. Mr. Vickers would like to suggest the schools be annexed into the Town of Luray. Also, Mr. Vickers requested that the town assist him with his recycling efforts at the school.

OLD BUSINESS

Proposed Cigarette Tax

Mayor Presgraves stated that at the last Council meeting the proposed tax was tabled for further discussion. The Council must take action on this at this evening's meeting. Mayor Presgraves stated that previously the Council had given unanimous consent for the Town Planner to advertise this tax for public hearing.

Mayor Presgraves said that he has reviewed current real estate assessments and the associated tax rates. He projects a shortfall in future income with the revision of assessments and a lower collection rate. Mayor Presgraves stated that he is opposed to burdening our senior citizens with high tax rates, as many live on a small fixed income. Mayor Presgraves said that implementing the cigarette tax could alleviate increases in other areas of taxation, such as real estate.

Mayor Presgraves stressed that in order to continue to meet the Town's budget there are several options: cutting staff, decreasing services, or implementing this new tax. The Mayor stated that this tax is an optional one, whereas real estate and personal property taxes are not. He would like for Council to consider earmarking the first year of tax revenues from the cigarette tax for the capital improvements at the R.H. Dean Recreation Park.

Councilman Racer questioned Mayor Presgraves on earmarking the funds for the first year only. Mayor Presgraves clarified that the first year's revenues could be earmarked and subsequent years could be determined based on budgetary needs.

Councilman Arrington stated that he is in favor of the Little League Project but does not feel that it is fair to link the cigarette tax with the recreation park; as this area will have to become a smoke free area with these improvements. He does not want to see any additional taxes at this time.

Councilman Menefee stated that the tax revenues will not pay for the entire project but will provide help.

Councilman Lancaster said that he is in favor of the events sponsored by the Little League but not in favor of any additional taxes.

Councilwoman Shifflett said that there should be some provisions for the tax revenues beyond the first year. She hopes that the town will not be expected to pay for the entire project with the high cost of the estimated improvements.

Councilman Schiro reminded that regardless of the town's provision for the first year's revenues; if the town commits to the project it will be responsible for the cost.

Councilman Lancaster suggested committing the funds budgeted for the recreation park development line item to this project.

Motion: Councilman Menefee motioned that Council approve the cigarette tax to become effective March 1, 2010 and to earmark the first year's revenues for the Little League improvement project; seconded by Councilman Schiro with the vote as follows: YEA: Council Members Shifflett, Menefee, Schiro. NAY: Council Members Arrington, Lancaster, and Racer. **Tied 3-3** With a tied vote Mayor Presgraves voted YEA to the motion.

Approved 4-3.

Luray Little League-Economic Development Plan

Pat Racey stated that the estimates on the project have been included in Council's packet. The current estimates are at \$727,000. He feels that the Little League has a strong concept for what will be needed. He recognizes that with any endeavor there are associated risks.

Councilman Racer questioned how much of the costs will be deferred by corporate sponsorships. Mr. Racey stated that he feels \$100,000-\$150,000 is a reasonable total for corporate dollars.

Councilwoman Shifflett stated her concerns for housing the teams during the events. Karen Riddle, Luray-Page County Chamber of Commerce President, stated that she will provide the appropriate links for lodging and area attractions for visitors of the event.

Craig Owen, Virginia District Three Administrator, stated that he had received a great deal of positive feedback regarding last year's event. The feedback focused on how incredibly welcome our visitors felt to the area.

Motion: Councilman Schiro motioned to authorize the Little League to proceed with the proposed economic development project with the Town funding the project with the first year of funding from the revenues generated from the cigarette tax; seconded by Councilman Arrington with the vote as follows: YEA: Council Members Shifflett, Arrington, Menefee, Lancaster, Schiro and Racer. **Approved 6-0**

Motion: Councilman Lancaster motioned to use the recreation park development budgeted funds of \$81,000 remaining from this budget year and next year \$100,000 toward the economic development project; seconded by Councilwoman Shifflett with the vote as

follows: YEA: Council Members Shifflett, Arrington, Menefee, Lancaster, Schiro. NAY: Racer. **Approved 5-1.**

Trailside Comfort Station Project

Town Manager, Rick Black, stated that he would like to go to the building official, proceed with permits, and put the project out to bid. Councilman Lancaster asked that all the equipment be specified in the bid packets. Also, he stated that he prefers design without the ceiling due to potential flooding issues. Mayor Presgraves stated that he would like to proceed with this project and utilize the grant funding.

Motion: Councilwoman Shifflett motioned to proceed with the trailside restrooms, one or two restrooms; whichever is most cost effective. The motion was seconded by Councilman Arrington with the vote as follows: YEA: Council Members Shifflett, Arrington, Menefee, Lancaster, Schiro and Racer. **Approved 6-0**

TOWN AFFILIATED BOARDS AND COMMISSIONS

Luray Downtown Initiative

Catherine Stewart, Executive Director, stated that LDI has a new board of directors with Liz Lewis serving as the board President. Also, she provided the newsletter for Council to review. She stated that the recent community reception, held after the Christmas Parade, was a success.

Ms. Stewart stated that she will be glad to assist with the Little League project by providing packets to visitors and getting all event information on the LDI website.

DEPARTMENTAL REPORTS

POLICE – PUBLIC SAFETY AND EMERGENCY SERVICES

Chief Campbell stated that he had participated in last week's conference call regarding the severe weather alerts. Chief Campbell said that the monthly departmental report could be found in Council's packet. He advised Council of 41 total arrests for the month of November and 226 calls for service.

Chief Campbell reported that some of his line item expenditures were over budget. He said that these items were purchased by grant funds and that the funds would offset the overages in those line items. Also, he stated that overtime charges were due to the saturation of patrol for speeding, seat belts, child seats, and other enforcement areas. These overtime hours will be reimbursed through DMV funding.

PARKS AND RECREATION

Rick Black stated that the Parks and Recreation report could be found in Council's packet. Also, Mr. Black provided information on several grant funding options. Lastly, Mr. Black said that the Christmas Parade was very successful.

PUBLIC WORKS DEPARTMENT

Lynn Mathews, Superintendent of Public Works, reported that his department repaired six water leaks. Also the department responded to six sewer calls, repaired sewer lines, and are checking manholes/lids. His department will be working on smoke testing, storm drainage repairs, sign repairs, roadside cleanup, shoulder repairs, and Christmas tree collection in January.

WTP AND WWTP

Mr. Hoke stated that two samples came back positive for coliform this month. However, he stressed that subsequent samples all came back negative. He feels that the two water main breaks that occurred during the month were the cause of the problem. Regarding the Water Treatment Plant, the contractors have moved out of the site.

Mr. Hoke stated that the upgrades at the WWTP continue and that workers proceeded despite bad weather. He feels that overall the project is going very well and that we are dealing with a very good contractor. The overall project is only a few weeks behind schedule, but the project will be completed in accordance with the deadline. Lastly, Mr. Hoke noted full compliance for the wastewater plant.

PLANNING

Mr. Webb provided Council with visual examples of local signage along with the proposed sign ordinance changes. He reviewed which of those signs would be in compliance with the proposed changes and which would be eligible for a size bonus. Mr. Webb reminded that the overall objective of the sign ordinance amendments is to have smaller, ground mounted, internally lit signs. He stressed that the major difference of internal lighting would be more aesthetically pleasing. Also, vendors could be eligible for a size bonus if they follow the towns color standards.

Councilman Lancaster suggested that staff contact the local sign makers and let them review this ordinance to see if there will be any problem in constructing signs according to the revisions. Mr. Webb confirmed that he would invite them to the next commission meeting.

Councilman Racer asked if measures had been taken to have the sign removed from the old Schewels building. Mr. Racer stated that he would like to see the sign ordinance enforced in cases such as this. Councilman Lancaster questioned signage on the east end of town and its compliance with the ordinance.

NEW BUSINESS

599 Program Funds Resolution

Town Manager, Rick Black, discussed the resolution in support of the 599 Program Funds Resolution. The goal is to gather support for the program, in the event that there is consideration by the general assembly to eliminate these funds. Last year the town received approximately \$138,000 in funding.

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

Commissions and Committees

Councilman Schiro questioned recent appointments for the IDA and BZA committees. Town Manager, Rick Black, will be checking to see who has accepted their nominations.

TOWN ATTORNEY'S REPORT

Mr. Spitler stated that the only business he had for the evening required an executive session.

EXECUTIVE SESSION

Legal Matters, Section 2.2-3711.A.7

Mayor Presgraves requested a motion to adjourn into Executive Session for the purpose of discussing Section 2.2-3711.A.7. **Motion:** Councilman Menefee motioned to recess the regular session and to convene in executive session; Councilman Racer seconded the motion with the following members voting YEA: Council Members Shifflett, Arrington, Menefee, Lancaster, Schiro, and Racer. **Approved 6-0**

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

Mayor Presgraves asked members of Council to certify that to the best of their knowledge the only matters covered under Section 2.2-3711.A.7 were heard, discussed, or considered during the closed session. **The roll was called with all members certifying "Yes".**

ADJOURN

Before adjourning the meeting, Mayor Presgraves reminded Council of the annual Christmas Dinner, Wednesday December 16th at the Luray Fire Department.

Councilman Schiro updated Council on the improvements at the Page Memorial Hospital Campus. He stated that new offices are planned to be constructed with local funding. Mr. Schiro suggested holding off on discussing road improvements until the new hospital is constructed.

Councilman Lancaster questioned the construction planned in the area adjacent to the Luray-Page County Airport property. Mr. Lancaster was under the assumption that no construction was to take place until the water issues in the area had been resolved. Mr. Black stated that the area in question was in Phase I of the project and has been previously approved by Council; thus the construction is in compliance.

Councilwoman Shifflett questioned improvements to Leaksville Road/West Main Street in the area of the high school. Mr. Black stated that there was no funding from VDOT for this type of project/road construction due to recent budget cuts.

There being no further business, Mayor Presgraves adjourned the regular session of the Town Council at approximately 9:25 P.M.

Barry Presgraves
Mayor

Danielle P. Babb
Deputy Clerk-Treasurer