

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

**MONDAY, JANUARY 14, 2013**

The Luray Town Council met in regular session on Monday, January 14, 2013 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  
Joey Sours  
John Meaney

**Also Present:**

Jerry Schiro, Interim Town Manager  
Bryan Chrisman, Assistant Town Manager  
Mary Broyles, Town Clerk/Treasurer  
Danielle Babb, Deputy Clerk/Treasurer  
Jason Spitler, Town Attorney  
Ligon Webb, Town Planner  
Lynn Mathews, Superintendent of Public Works  
Page Campbell, Police Chief  
Pat O'Brien, Director of Parks and Recreation  
Charlie Hoke, Director of Utilities  
Liz Lewis, Luray Downtown Initiative  
Pam Flasch, Luray Bicentennial Committee  
John Robbins, Luray Page County Chamber of Commerce

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. Councilman Meaney led everyone in reciting the United States Pledge of Allegiance.

**CONSENT AGENDA**

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

## ***Consent Agenda***

- A) *Minutes of the December 10, 2012 Regular Council Meeting.*
- B) *Financial Reports for the period ending December 1-31, 2012.*
- C) *Accounts payable checks totaling \$175,365.54.*

## **TOWN AFFILIATED BOARDS AND COMMISSIONS**

### **Luray Downtown Initiative**

Liz Lewis, Director, stated that January is the “planning” month for LDI. She noted that LDI is working on strategic plans, budgets, event evaluations, the Todd Barman Report, and will focus on downtown efforts. She added that the Festival of Spring is coming up on May 11<sup>th</sup> and that information will go out on this next week. Ms. Lewis said that LDI did not receive the \$7500 Enterprise Initiative Grant which focused on the Farmer’s Market. However, she is still awaiting news on the \$25,000 Downtown Improvement Grant. Ms. Lewis thanked the town for their work on the revolving loan program. She has spoken with many businesses and is beginning work on the application process. LDI will be hosting the Virginia MainStreet managers next week. The managers will be staying at the Mimslyn Inn and she discussed events that are planned during their stay. A meeting is planned for March for the Page Valley Arts Council. Ms. Lewis also displayed a new buy local “gift tag”, which merchants are now using. The tags can be used as a price tag and also function as a shop pass. Ms. Lewis said that the first Merchant Meeting for this year is planned for Tuesday, January 29<sup>th</sup> at the Depot at 8:30am. New board members have been appointed for LDI, those include David Slye, Dan Fouse, Jim Sims, and Cornelia Spain.

Mayor Presgraves asked if the budget had been submitted to town staff. Ms. Lewis said that she will have that at the February meeting. Councilman Sours asked Ms. Lewis to explain the grant expenses line item and associated grant income.

Councilman Vickers asked about potential income ideas that are planned for the coming year. Ms. Lewis said that she is working on plans for fundraising efforts. She noted that large donors are not providing the sponsorships that they once were. She said that large events such as the Festival of Spring help with income for LDI and she hopes to possibly incorporate a new Fall Festival. Councilman Vickers said that it’s important that Council see LDI is working on ways to provide income when reviewing their upcoming budget.

### **Luray/Page County Chamber of Commerce**

Mr. John Robbins introduced himself and said that he is honored to be the new President of the Luray Page County Chamber of Commerce. He noted that he has lived in the valley for about 20 years and has been in Luray for about 7 years. He stated that his purpose in coming this evening was to introduce himself and to become more familiar with Council. Mr. Robbins said that he is aware that the Chamber Staff normally provides a formal report for this meeting, however; he will not be providing that this evening. Mr. Robbins noted plans for a ceremony in May to celebrate the community’s designation as an Appalachian Trail Community. A county wide committee has been formed for the Appalachian Trail

Community designation. He also noted plans for a press release, event promotion, and information regarding this achievement.

### **Luray Bicentennial Committee**

Ms. Flasch said that the Business After Hours this month will be a joint venture between the Chamber, LDI, and the Shenandoah Merchants Association to be held at the Hawksbill Recreation Center and will be a business appreciation event. Regarding the Bicentennial, she stated that the mural is awaiting the submission of artwork from LHS students. Ms. Flasch said that the Bicentennial Park is progressing nicely and there is a possibility that it could be complete within about two weeks. Ms. Flasch is hopeful for a dedication on February 9<sup>th</sup> in correlation with the Bicentennial anniversary date. Ms. Flasch also noted discussion of a time capsule to be included in the project.

Mayor Presgraves spoke on behalf of the Council and stated that Ms. Flasch's responsibilities are winding down for the Bicentennial Committee. Mayor Presgraves expressed his appreciation for all of her efforts over the past year. Councilwoman Menefee invited Ms. Flasch back to the next Council meeting on behalf of all members.

### **STAFF REPORTS**

#### **POLICE – PUBLIC SAFETY AND EMERGENCY SERVICES**

Chief Campbell noted 50 arrests for the month of December, with 193 calls for service for the month. He said that the calls for service year to date were once again in excess of 3,000 calls. Chief Campbell stated that next month he will be providing his end of year report for the department.

Councilman Vickers commended the department on the recent article in the Page News and Courier and said that he is glad to see positive things as front page news.

#### **PARKS AND RECREATION**

Director of Parks and Recreation, Pat O'Brien provided his written report for Council. Mr. O'Brien noted that the Bicentennial Planter Project is moving along very well. He confirmed that it is still the Council's wishes to plant a Dogwood tree in the planter. Council members agreed that this was what was discussed. Mr. O'Brien said that he has contacted several nurseries to locate a tree of the appropriate size. Mr. O'Brien informed Council members that all of the color coded Greenway maps have been delivered to the various agencies. The larger maps have been placed at the kiosks. Mr. O'Brien reminded that the cost of the maps was fully grant funded. Mr. O'Brien displayed the new logos for the Triathlon and said that he is working with Mr. Glover on this year's event. Also, he reminded that a \$4000 contribution for the installation of Wi-Fi at Lake Arrowhead was from Dr. Hanson of Winchester. The installation should take place in the next few weeks. Councilman Vickers inquired about the annual cost for this service. Mr. O'Brien stated that he is uncertain of the maintenance cost but will look into it. He added that perhaps contributions would be made to cover these costs. Mr. O'Brien displayed a new postcard that will portray the town's murals. This postcard will also be included in packets that are given to groups and visitors. Councilman Sours suggested adding addresses for the murals to the postcard. Mr. O'Brien noted that the cost is only \$77.00 for a

quantity of 500. Councilman Lancaster expressed concern for the mural located on the building across from Town Hall. He stated that the mural is in need of repair. Mr. O'Brien said that the damage to the painting is due to a water issue with the roof of this building. Mr. O'Brien will look into getting one of the artists to repair the mural in the spring.

## **PUBLIC WORKS DEPARTMENT**

Lynn Mathews, Superintendent of Public Works, informed Council that the public works department repaired six water leaks and responded to eight sewer calls. He also advised that the department will need to make two new sewer taps at 804 and 808 East Main Street. Projects going on this month include clean up at the water tank property, sidewalk and bridge clean-up, storm drainage work, sign replacements and repairs, and will be displaying the flags for Martin Luther King Day.

## **WTP AND WWTP**

Charlie Hoke, Director of Utilities, stated that the wastewater plant is running as designed and is in full compliance with the Chesapeake Bay Nutrient Reduction Program.

Mr. Hoke reported that the Water Treatment Plant is still lacking a few parts to put the system completely back on line. Mr. Hoke would like to suggest adding a few more filter columns in the next budget cycle. He said that if we were to lose one of those; there would not be enough capability for producing the amount of water needed for the town during peak usage. Mr. Hoke informed that all samples came back negative from the distribution system. Lastly, he said that as soon as all parts are in, the repairs he mentioned will be made.

## **PLANNING & ZONING**

Town Planner, Ligon Webb, reported that the Planning Commission has some items to review at the January meeting. One item for review is related to Bed and Breakfast establishments. The commission will review a proposed ordinance amendment to allow B&B's in all areas of the R2 zoning district. Mr. Webb anticipates a full agenda for the commission for the next few months.

Mr. Webb discussed the North Broad Street Improvements. Mr. Webb discussed the plans from Racey Engineering, information from Turner Concrete, and the survey that has been forwarded to the Town Attorney. Mr. Webb displayed a rendering of the project and discussed the three potential phases of the proposed improvements. He reviewed Phase I of the project and noted an estimate of \$54,125. He said that the town's share of the cost would be approximately \$31,125. Mr. Webb also mentioned the costs associated with a Phase II and III that could be incorporated at a later time, possibly with additional grant opportunities. Mr. Webb concluded by requesting Council's approval to proceed with the project.

**Motion:** Councilman Vickers motioned to approve the Phase I estimate for the North Broad Street improvements as presented, motion seconded by Councilman Sours with the vote as follows: YEA: Council Members Vickers, Arrington, Menefee, Lancaster, Sours, Meaney. **Approved 6-0**

Mr. Webb discussed updates on the Main Street Bridge project. Mr. Webb said that he spoke with the Federal Highway Administration today and that there had been some question on the request to “self administer”. Basically, it is their decision if the Town is to go through VDOT which many small communities do. He said that a conference call is scheduled with the FHA on Wednesday at 3:00pm at Racey Engineering’s office.

Mr. Webb discussed his progress on the results of the Comprehensive Plan. He stated that he has enlisted the assistance of Mr. Chase Suddith, former intern, to assist with writing of several sections. He stated that this will be extremely helpful in expediting the process.

Ligon Webb also reported on the Town’s Facebook page and said that the page continues to grow. He said that our users are steadily growing and the site is a good combination of information, photos, and tourism promotion.

Lastly, Mr. Webb updated Council members on the zoning permits issued for the last two months.

## **UPDATES**

### **Wallace Avenue Construction**

Interim Town Manager, Mr. Jerry Schiro, updated Council on the Wallace Avenue Construction and said that the project is mostly complete. He said there are a few items remaining and that the contractor and our staff did a great job.

### **South Court Street Sewer Issues**

Mr. Schiro advised members that staff met with the residents of South Court Street regarding the sewer issues. He said that the meeting went fairly well and that most residents were receptive to the idea of some kind of cost sharing program. He noted that one resident had concerns over dedicating easements due to any future construction to the property. Mr. Schiro said that he thinks some issues can be resolved and another meeting will be held in about two weeks. Mr. Schiro said that the residents were very appreciative that the town is offering to assist them in this issue. Mr. Schiro said that the cost sharing issue has not been really discussed at this point but that the citizens understand the limited options available to them. He said that Kevin Seal of Seal’s Construction and Septic also participated in the meeting since he is familiar with many of the problems.

### **Depot**

Mr. Schiro said that this item is not on the agenda but that he wanted to make members aware that the town has received about a 50 page update on the train depot as it relates to the museum plans. The information details the plans for the museum and Council should review this and provide feedback. Mr. Schiro said that he is providing electronic copies of this to Council members so that they may review the presentation and provide their input.

## **ITEMS FOR COUNCIL ACTION**

### **Luray-Page County Chamber of Commerce Request**

Interim Town Manager, Jerry Schiro, advised members that basically the Luray Page County Chamber of Commerce is requesting a reduction in their share of the electrical bill in consideration of the fact that LDI is now occupying space in the building. Mr. Schiro said that he has included details in his staff report that explain the cost sharing for the electric service at the depot. Currently, the town pays 50% of the existing electric bill and provides water, sewer, and refuse to the building at no cost. The Chamber pays the town \$6,000 annually in rent. This only nets about \$958 for the town and does not take into consideration any maintenance to the building. LDI currently occupies only about 23% of the space at the building on a part time basis. Mr. Schiro provided Council with several options and advised Mr. Robbins, Chamber President, that he would be glad to provide a copy of his staff report for his information. Mr. Schiro asked Council members for their comments on the request.

Mayor Presgraves stated that he feels the charges are already equitable and that there should be no changes made. Councilwoman Menefee agreed that the current agreement should stay in place. Councilman Arrington agreed that the current arrangement should remain the same. Mr. Robbins stated that if there is no urgent need to decide on the matter, he would ask that Council hold off on the issue. He would like to have a chance to review Mr. Schiro's information and to discuss this with the chamber board. Councilman Sours said that we may want to look at the current lease agreement. Councilman Lancaster said that as a business owner he has been a chamber member for over 40 years. He stated that he would like to know who suggested this. Mr. Lancaster said that a few months ago the chamber requested to use the basement of the building for storage and the town did not suggest charging them more for this space. He said that the town provided for this request with no question. As a member of the chamber, Councilman Lancaster said that he thought the request was ridiculous. Town Attorney, Jason Spitler, informed that the lease agreement is in its second term and will expire in July 2015.

Mayor Presgraves advised Mr. Robbins that the Council seems to be in agreement on this issue but is willing to hold off on taking any action at tonight's meeting. Mr. Robbins said that he would feel more comfortable getting all the details on this request unless there is any urgency to take action. Mayor Presgraves said that he would like to see Councilman Lancaster's question answered on where the request originated.

Councilman Sours asked if the details of the electric costs were outlined in the lease agreement. Town Attorney, Jason Spitler, advised that the 50% cost sharing is specifically stated in the lease agreement.

Councilman Vickers inquired about the museum hours of operation. Mr. Schiro said that this is something that will need to be addressed. He said that logistically it is not possible to have the museum space open after Chamber Office hours. Mr. Schiro said that actually it is a much more broad issue and will need to be discussed at a later work session.

### **Proposed Street Light and Signage at the Bicentennial Planter**

Mr. Jerry Schiro said part of the original design for the Bicentennial Planter included a light pole with signage. However, two businesses are located behind the planter area. Somewhere along the way, it

was incorporated that the town would provide signage for those businesses on the light pole. The two questions before Council are if they want the pole included in the design and if the town is going to provide the signage. Mr. Schiro does not recommend paying for the signage. He stated that if the town is going to provide signage it should be for some form of wayfinding or directional type signs. Councilwoman Menefee said that in all fairness we have displaced the current signage for those businesses. Mr. Webb said that the current signage is in compliance in terms of size but is supposed to be permanent signage as opposed to what is currently there. Mr. Webb suggested placing the signage on the building and removing the structure. He said that the owner of the property agreed to the planter being placed where the existing signage was located. Councilman Lancaster said that he does not believe that the current signs are in compliance with their associated street frontage. Mr. Webb said that he would like to see the large temporary sign removed. Councilman Sours suggested the town providing the light pole with the arm and suggesting that the business owner be allowed to purchase a conforming sign to attach. Mr. O'Brien, Director of Parks and Recreation, suggested several different options for the signage. Councilman Lancaster suggested that the light pole is not needed and confirmed that the planter provides for up lighting. Mr. O'Brien said that there are lights incorporated in the brick work and inside the planter. Staff also discussed the sandwich board sign that is permitted for the Art Warehouse. Mr. O'Brien said that the light pole could also prove as a traffic hazard as commercial vehicles frequently turn into this area. Mr. O'Brien even suggested the use of bollards if this becomes an issue. Mayor Presgraves summarized by saying that it seems Council prefers no signs and no light pole, and to keep signs on the building itself, in order to remain in compliance with the zoning ordinance.

**Motion:** Councilman Lancaster motioned to remove the signs and the light pole from the Bicentennial Planter Design, and to keep signs on the appropriate buildings in compliance with the Zoning Ordinance as discussed, motion seconded by Councilwoman Menefee with the vote as follows: YEA: Council Members Arrington, Menefee, Lancaster, Sours, Meaney. NAY: Vickers. **Approved 5-1**

### **2013 Arbor Day Proclamation**

Mr. Schiro said that the next item of business is the 2013 Arbor Day Proclamation and is an annual designation for the town.

**Motion:** Councilwoman Menefee motioned to approve the 2013 Arbor Day Proclamation as presented, motion seconded by Councilman Sours with the vote as follows: YEA: Council Members Vickers, Arrington, Menefee, Lancaster, Sours, Meaney. **Approved 6-0**

### **Page Street**

Interim Town Manager, Jerry Schiro, said that staff members met with Page County regarding the construction project on South Court Street for the new county office building. This construction will affect the sight distance at the intersection of Page Street and South Court Street. Town Staff is recommending that Page Street be designated as a One Way Street during the construction period. This would restrict westbound traffic on Page Street between Bank Street and South Court Street.

Mr. Schiro explained that the Town Code requires that the Town Council designate One Way Streets by ordinance. He explained that after speaking with the Town Attorney on this issue, it doesn't make

sense to incorporate a number of ordinances into our Town Code for these issues. Town Attorney, Jason Spitler, agreed that this would clutter the town code with temporary ordinances. Mr. Schiro stated that he is first recommending that the ordinance be amended to allow the Council to designate One Way Streets by resolution, rather than ordinance. These changes will simplify the process in the future. Secondly, Mr. Schiro is asking Council to act on the proposed resolution to designate Page Street as a One Way Street on a temporary basis.

**Motion:** Councilwoman Menefee motioned to approve the ordinance amendment regarding Section 82-82 of the Town Code regarding One Way Streets and to approve the Resolution to Designate Page Street as One Way during the construction of the County Office Building, motion seconded by Councilman Vickers with the vote as follows: YEA: Council Members Vickers, Arrington, Menefee, Lancaster, Sours, Meaney. **Approved 6-0**

## **TOWN ATTORNEY'S REPORT**

### **Lease Agreements – Janice Davis and Phillip Long**

Town Attorney, Jason Spitler, stated that he has revised the lease agreements between the town and Ms. Janice Davis and Mr. Philip Long. He stated that these documents are essentially the same as previously discussed however a few minor changes have been made. Mr. Spitler explained the changes as they relate to both agreements. He stated that both documents essentially reflect the existing arrangements and requested a motion approving them.

**Motion:** Councilman Vickers motioned to approve the lease agreements for Ms. Janice Davis and Mr. Phillip Long as presented, motion seconded by Councilman Arrington with the vote as follows: YEA: Council Members Vickers, Arrington, Menefee, Lancaster, Sours, Meaney. **Approved 6-0**

### **Ordinance Amendments- Meals & Lodging Taxes**

Town Attorney, Jason Spitler, stated that he would like Council's feedback on the Meals and Lodging Tax ordinance amendments as he is working on revising both. He discussed the meals tax first and noted that the town's current practice is to charge a 4% meals tax and provide a 1% discount if the tax is paid on time. Mr. Spitler questioned if the town wants to maintain this current tax rate. If that is the case, he would like to change the wording to reflect a 3% tax with a 1% penalty for payments not made on time. In addition, the meals tax currently provides for interest of 12% per annum on any balance due beyond the first thirty days. He asked if Council wishes to keep this the same also. Mr. Spitler said that there seems to be some major differences in how the meals and lodging taxes are handled in terms of assessment. He explained that the lodging tax is stated at 5% but if paid on time there is a 3% deduction from the tax amount. If this tax is not paid on time, interest accrues immediately in addition to a 10% penalty. Mr. Spitler said that the structure for both of these taxes is complicated and are inconsistent with one another.

Council members and the Town Attorney discussed that the overall meals tax is 5% for restaurant establishments; with 4% paid to the locality and 1% retained by the State. Mayor Presgraves expressed that he would rather that the tax did not reward those who pay on time, but reflect a penalty for payments made late. Mr. Spitler said that he is not advocating any increase or decrease in rates but feels



the rate and penalty need to be clarified. Mr. Spitler said that the rate can be decided upon at the work session if needed, he is simply clarifying the fee structure. Council's consensus was that there would be a set rate, no reduction for making timely payments, and a penalty for late payments. Town Manager, Jerry Schiro, suggested that the Council should consider the actual rate as a part of the town's budget process.

Mr. Spitler also asked if Council is comfortable with maintaining the 10% late penalty and the interest is assessed at 1% per month. Council agreed to these terms for penalty and interest. Mr. Spitler then reviewed the penalties for failure to collect, pay, or report the tax. He stated that the penalty for a meals tax violation is a class one misdemeanor; however, the penalty for lodging tax is only a \$100 fine. Mr. Spitler recommended that the penalties should be the same for both tax violations. He explained that the penalties for meals tax are a bit severe while the lodging tax penalty is quite lenient. Councilwoman Menefee requested information on the penalties that are imposed by other localities.

Lastly, Mr. Spitler discussed the exceptions as they relate to meals taxes. Changes in the State code reflect those categories of exemption for off premises sales, vending machines, grocery stores, gratuities, and non-profit organizations and government agencies. State code requires that some relief be given to non-profit organizations for fundraising activities. Mr. Spitler explained the exemption for non profits and can follow the state code in limiting these groups to three exemptions per year or allow them to be exempt for the entire year. He stated that Council will continue this discussion at the work session.

### **Other Items**

Mr. Spitler advised that Council has already covered the South Court Street deed of easement. He added that Mr. Webb has also previously discussed the North Broad Street Improvements and the deed of easement as it relates to Harrison Holding Company. Mr. Spitler said that regarding the Boundary Line Adjustment for Page Community Development, there has been no receipt of a developer's agreement. He added that there has been no change in status for the worker's compensation claim as reflected in his report. Mr. Spitler said that he has begun drafting the proposed lease agreement between the Town of Luray and the Luray Little League regarding the operation of the concession stands at the park. Mr. Spitler also stated that the only other matter he had was in regards to One Way Streets which Council has taken action on earlier in the meeting. Mr. Schiro added that the Little League concession agreement will be on the work session agenda.

### **ANNOUNCEMENTS**

Mayor Presgraves stated that the work session is currently scheduled for January 22<sup>nd</sup>. He said that this is only about a week from tonight's meeting and would like to see the meeting moved to January 29<sup>th</sup>. Councilwoman Menefee stated that she would be out of town, while the remainder of Council agreed to move the meeting date. Staff was also agreeable to moving the date of the work session.

## **EXECUTIVE SESSION**

### **Legal Matters, Section 2.2-3711.A.7 – Probable Litigation Personnel, Section 2.2-3711.A.1 – Town Manager**

Mayor Presgraves requested a motion to adjourn into Executive Session for the purpose of discussing Section 2.2-3711.A.7 and Section 2.2-3711.A.1.

**Motion:** Councilwoman Menefee 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, Arrington, Menefee, Lancaster, Sours, Meaney. **Approved 6-0**

**Motion:** Councilman Lancaster 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, Sours, Meaney. **Approved 6-0**

Mayor Presgraves asked members of Council to certify that to the best of their knowledge only matters covered under Section 2.2-3711.A.7 and Section 2.2-3711.A.1 were heard, discussed, or considered during the closed session. **The roll was called with all members certifying “Yes”.**

## **ADJOURN**

Mayor Presgraves reminded members that the Statements of Economic Interest are due from members by tomorrow morning. He also reminded that the work session will now be on January 29<sup>th</sup> at 5:30pm. With no further business, Mayor Presgraves adjourned the regular session of the Luray Town Council at approximately 10:17pm.

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Barry Presgraves  
Mayor

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Danielle Babb  
Deputy Clerk-Treasurer