

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

MONDAY, JANUARY 13, 2014

The Luray Town Council met in regular session on Monday, January 13, 2014 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
Pam Flasch
Mary Menefee
Leroy Lancaster
Joey Sours
John Meaney

Mary Broyles, Town Clerk/Treasurer
Danielle Babb, Deputy Clerk/Treasurer
Ligon Webb, Town Planner
Jason Spitler, Town Attorney
Junior Roy, Luray Police Department
Liz Lewis, Luray Downtown Initiative
John Robbins, Luray Page County Chamber
Powell Markowitz, Luray Page County Airport Authority
Pat Racey, Racey Engineering
Luray Downtown Initiative Board Members
Boy Scout Troop 100

Also Present:
Charlie Hoke, Town Manager
Bryan Chrisman, Assistant Town Manager

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 Vickers led everyone in reciting the United States Pledge of Allegiance. Mayor Presgraves welcomed the members of Boy Scout Troop 100 to the meeting. The roll was called with all members present.

CONSENT AGENDA

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

Consent Agenda

- A) Minutes of the December 9, 2013 Regular Council Meeting
- B) Financial Report – Month Ending December 31, 2013
- C) Accounts payable checks totaling \$237,771.28

PUBLIC HEARINGS & PRESENTATIONS

Request for out of Town Private Sewer Connection

Pat Racey, Racey Engineering, spoke on behalf of the Holtzman Corporation and apologized for the short notice. He would like to make a special request for a Private Sewer Utility Service Connection. The site in question is referred to as the West End Exxon or Quick Mart on Highway 211 West across

from the Wal-Mart Shopping Center. Currently the site is served by town water services. Mr. Racey stated that the Holtzman Corporation has resumed ownership of this facility and their desire is to clean up the current facility and make renovations. The renovations would incorporate a gas station, convenience mart, and a Subway restaurant. The owner has spoken with the local health department to inquire about septic drain field permitting, etc. Mr. Racey explained that the current building is served by an old septic system that has distressed lines with very challenging soil conditions. The construction managers have requested that Mr. Racey's staff work with the town to determine if a sewer connection could be made. Currently, Marlow Ford and Luray High School are served by the sewer main in this area. Mr. Racey provided an informational packet for Council's review and would like to work with town staff for further review of this request. Council continued to discuss the infrastructure in this area and Mr. Racey stated that more studies will be conducted. Councilwoman Menefee clarified that Council is being asked to approve only the concept at this point. Mr. Racey stated that he is simply requesting Council's permission to move ahead and that further engineering and permitting will still need to be conducted. Town Manager, Charlie Hoke, stated that he is in favor of the request so long as all studies support the capacity to provide this service. Council members agreed to approve the request for consideration to extend service to the site.

Boy Scout Troop 100

Mr. Powell Markowitz presented a listing to Council members of all those who have achieved the rank of Eagle Scout in Troop 100 since its inception in 1964. Along with these members is a list of projects that have been funded by the Town for the benefit of its citizens. Mr. Markowitz felt it was important to make members aware of these projects and thanked Pat O'Brien for his cooperation over the years. He noted that these projects include several hundred man hours of labor and cost well in excess of \$1,000 dollars. Mr. Markowitz said that Scout Member Chris Seely is currently working on designing a project for Lake Arrowhead and he will be working on the details with Mr. O'Brien. Mr. Markowitz hopes that the town will consider funding this project, as well.

Lastly, Mr. Markowitz advised that the scouts in attendance this evening are working on their Citizenship in the Community merit badge. This badge includes studies on local government and community service. Mayor Presgraves expressed that this is a very worthwhile organization and thanked the adults who give of their time to assist. He also expressed thanks for the scouts' efforts in the community and conveyed the towns support.

DEPARTMENTAL REPORTS

Mayor Presgraves stated that the departmental reports could be found in Council's packet for the evening. Councilwoman Menefee congratulated the Town on being named the Best Triathlon of 2013 in the Mid-Atlantic Region by *Competitor Magazine*.

PLANNING AND ZONING

Town Planner, Ligon Webb, said that the commission will be meeting this Wednesday, January 15th. The commission will begin reviewing Mr. Bob Borgie's pending request for a special use permit to operate a Bed and Breakfast operation on Blue Ridge Avenue. Mr. Borgie has indicated that he will bring the request to the commission's February meeting.

Mr. Webb stated that Councilman Lancaster, Mr. Hoke, Mr. Chrisman, Mayor Presgraves, and he have met several times regarding the review of the town's sign ordinance. Mr. Webb said that he has produced a document detailing the potential changes to the ordinance for review. He said that Council will take a look at these changes at the January Work Session meeting.

Also, Councilman John Meaney has requested to nominate Ms. Inez Myers to the Board of Zoning Appeals. She is a resident of 8 Nichols Road and has expressed an interest to Councilman Meaney to serve the town in some capacity.

Motion: Councilman Vickers motioned to appoint Inez Myers to the Board of Zoning Appeals, motion seconded by Councilman Meaney with the vote as follows: YEA: Council Members Vickers, Flasch, Menefee, Lancaster, Sours, Meaney. **Approved 6-0**

Lastly, Mr. Webb stated that there were a total of two zoning permits for the month of December 2013, with a total value of \$11,000.

TOWN AFFILIATED BOARDS AND COMMISSIONS

Luray Downtown Initiative

Ms. Liz Lewis, Executive Director, stated that LDI was awarded a \$10,000 feasibility grant from Virginia Main Street. The study will include a building appraisal, review of the structural integrity of the building, estimated cost of rehabilitation and potential use as it relates to downtown development. Ms. Lewis noted that there are two prospective properties for the study at this time.

Ms. Lewis said that recently she was informed that LDI did not receive the \$25,000 grant funds for the remainder of the North Broad Street Gateway Project. Ms. Lewis said that she still plans to reapply for future funding. Ms. Lewis said that based on questions from Councilman Lancaster at last month's meeting, she has provided an Overview of LDI Grants. She said that often when discussing grant applications, she neglects to explain fully what the grant is for.

Ms. Lewis said that the Buy Local Farmers Market Grant has ended. She stated that a financial investment model was developed, research was conducted to support a permanent farmers market structure, and the Market Collective were all products of this grant. Ms. Lewis told members that the Virginia Main Street meeting will be held in Staunton at the end of the month and she has been asked to present the financial model portion at the meeting.

Ms. Lewis said that LDI is now working on completing year end paperwork and filings to Virginia Main Street. Ms. Lewis hopes to provide this information to Council members at the February work session.

Ms. Lewis expressed concern that LDI's Profit and Loss Statement was placed in the online agenda and questioned why this was done. Mr. Hoke, Town Manager, said that he felt this was a good document to inform Council members of LDI's activity. Ms. Lewis requested that in the future she be made aware of this in order to make the document more professional. Mr. Hoke maintained that this was good information. Ms. Lewis said that the document is also incomplete because it does not include December

month end figures and advised that she creates a financial analysis for each event that is conducted. She said that this document does not reflect LDI's annual budget. Councilman Sours said that the budget, balance sheet, and other documents would also be necessary to make an overall evaluation.

Ms. Lewis said that enclosed in Council's packet is information from LDI requesting \$10,000 in additional funds from the Town of Luray. The funds are needed for the period January through June 2014. She said that the funds are needed to conduct the Festival of Spring, maintain Luray's Main Street designation, perform grant obligations, maintain staff, and continue economic development efforts. She said that without the additional funding LDI cannot perform all of these functions. Ms. Lewis expressed concern over the funds on hand and the advertising costs to begin the preparations for the Festival of Spring. Overall, she said this is one of the town's largest events and requires about 5 months of planning. Ms. Lewis stressed that LDI contributes significantly to the community. She also thanked Town Manager, Mr. Hoke, for signing the Virginia Main Street agreement. Ms. Lewis said that this conveys to the State the town's commitment to another three years of the program.

Mayor Presgraves asked Ms. Lewis of LDI's plans for fundraising in the foreseeable future. Ms. Lewis said that LDI is trying to focus on four events per year rather than one large annual event. She stressed that the "cash party" fundraiser was held during a better economical time in Luray. Ms. Lewis said that she no longer sees this as a possibility and stressed the difficulty of fundraising. Mayor Presgraves stated that it is equally as hard to raise taxes. He explained that every 1¢ tax increase generates \$44,000 in revenues. He said that the town previously contributed \$25,000, adding an additional \$10,000 as requested would correlate as nearly a 1¢ increase to taxpayers. He said that the town is mandated by state law to balance the budget and does so by department. Mayor Presgraves asked where the funds were going to come from. Ms. Lewis expressed that this is a very hard time for LDI. She advised that many expenditures for the Festival of Spring have to be paid upfront; such as postage, advertising, etc. Ms. Lewis explained that LDI does not have a lot of cash on hand and paying for these expenses, while maintaining payroll would be extremely difficult. Mayor Presgraves asked how much longer LDI would be able to operate based on its current cash standing. Ms. Lewis said that likely only about three more months. Mayor Presgraves said that he feels he is speaking on behalf of all members of council when considering the value of the Virginia Main Street program to the community. He also said that possibly the stakeholders/recipients need to have a financial stake in this. Ms. Lewis said that some localities do have a special assessment on historic district properties.

Ms. Lewis asked if her board members had any comments that they wanted to add. Ms. Lewis also spoke about the benefits of the grant programs provided by Virginia Main Street. Councilwoman Menefee said that she does not question the value provided by LDI and would consider the additional contribution. Ms. Menefee would like to see some additional budget figures and would question how the funds are being managed. Ms. Lewis also stressed that LDI reaches farther than the downtown area and benefits the entire community. She said that the downtown area defines where we work, but has become an organization that benefits a far larger area. Mayor Presgraves said that this does not go unrecognized and many events help by bringing visitors to the area. Ms. Lewis said that the economic development of the area is key to keep going in a very depressed economy. Mayor Presgraves agreed that this is vital to our community but that the town must stretch its funds as much as possible. Monte Layman, LDI Board President, stated that in the prior fiscal year LDI received \$35,000 in funding. LDI received \$25,000 for the current year's funding and Mr. Layman said that the organization has stretched these funds. Also, he said that LDI is trying to operate the same as last year and do more with less

funding. Mr. Layman reiterated that fundraising in the town is very tough right now and that we do not want to continue to keep going back to the same businesses for sponsorships. Mayor Presgraves agreed and said that the town cannot continue going to the taxpayers for more funding either. Mayor Presgraves also corrected that the previous year funds allocated to LDI were actually \$40,000. Councilwoman Flasch stated that LDI is the town's economic development tool and that the council will need to look for a way to make this work and agreed that it is extremely difficult to fundraise. Councilman Sours asked why LDI chose to do more this year when they were aware of less funding. Also, he asked how much money was given away through various fundraising events. He stated that giving to other charities is a worthwhile effort, but is a problem when LDI knew they were receiving less funding. Ms. Lewis said that the town's fiscal year and LDI's work plan year do not coincide. Therefore, LDI had already committed to its work plan and goals before the town's funding was received. Councilman Sours asked if LDI had considered aligning their fiscal year with that of the town. Linda Drum, LDI Board Member, said that this had been taken to the accounting level. Ms. Drum also said that the past event at the Mimslyn Inn was a great event but reiterated that the economy is far different from that time. She also complemented Ms. Lewis for efforts to save money where possible. Councilwoman Flasch said that Ms. Lewis donates her graphic art efforts as well. Nancy Shifflett, LDI Board Member, expressed concern that Virginia Main Street requires that the organization must have a full time director and does not want to see this jeopardized. Mayor Presgraves again stressed that the town must live within its budget and so must each department. Town Manager, Charles Hoke, said that his research indicates that those communities with a population of 5,000 or less are not required to maintain a full time director; yet, he does not feel the Luray Downtown Initiative would be as effective with a part time director. Ms. Lewis maintained that she wants to see Luray conduct its Festival of Spring this year and this is an event that requires funding. Councilman Sours and Ms. Lewis discussed the financial aspects of the Festival of Spring; including staff time, etc. Ms. Lewis advised that when the Town informed her that its contribution would be reduced to \$25,000, she acknowledged her appreciation for funding but noted that it would not be enough.

Mayor Presgraves said that the council would be holding work sessions due to budget planning for the next fiscal year. He said that these meetings would be vital to making these types of decisions. Ms. Lewis said that she is not comfortable advertising and soliciting vendors for a festival that she may not be able to conduct. Council and attendees discussed previous festivals and if the goal was to raise funds or to attract visitors. Councilman Meaney recalled recent discussions with the Mayor about concerns over future tax increases. Mr. Meaney said that his impression is that everyone appreciates the job that LDI does, and is pleased that council members are willing to discuss this issue. Ms. Lewis discussed her upcoming deadlines for advertising and her concerns for having enough funding to make the festival happen. She advised that she would prefer action on the funding request this evening. Mayor Presgraves said that the council is equally as uncomfortable making a decision at tonight's meeting. Councilman Vickers said that he is currently serving as the town's member on the LDI Board. He reminded that these board members are volunteers and acknowledged the work that LDI has done. Mr. Vickers said that during the work session, he would like to see a plan for how the town can provide its support. He would like to see Ms. Lewis come to the January work session and come up with a way to make this work. Mayor Presgraves stated that he would like to see LDI come up with a plan for fundraising. Mayor Presgraves asked Ms. Lewis to provide any further information or financial documents to the Council as soon as possible for members to review.

Luray Page County Chamber of Commerce

Director, John Robbins, added that there are many non-profits in the area that are all requesting funding from the same pool of donors. He advised that this becomes very repetitive and makes fundraising harder and harder each year. Mr. Robbins advised that this has been a very good “media” month for Luray. The Luray Triathlon was voted Best Triathlon in the Mid-Atlantic region by readers of *Competitor Magazine*. This magazine has a paid circulation of 5000 people. Also, last week’s *Page News and Courier* announced Luray as the #2 Most Searched for Destination on the Virginia Tourism Corporation Website. *Virginia Living Magazine* produces a list of top wedding vendors; among those were Mimslyn Inn and Khimaira Farm. As well, the Chamber received airtime on Harrisonburg television due in part to a VTC Grant. Mr. Robbins added that staff is working with *Page News and Courier* on the annual *Guide to Page County*, which results in about 8,000 printed copies. Mr. Robbins said that staff met with two business owners who are interested in setting up shop in Luray. He has directed them to LDI and the EDA also for finding potential office/storage space. Mr. Robbins said that the Chamber continues to meet with the town regarding Main Street Bridge and will continue to work with merchants on this.

Tourists to the visitor’s center totaled nearly 19,000 for the year 2013, almost 1,000 more visitors than 2012. Tourist phone calls amounted to 5,847 for the year; compared to about 4,100 in 2012. Mr. Robbins said that the monthly event, Business After Hours, continues to be held. The December event was held at the Mimslyn Inn and was sponsored by the Luray Rotary Club with 150 attendees. 2014 will be the 50th Anniversary of the Wilderness Act and about 40% of Shenandoah National Park is designated as such. Shenandoah National Park is planning a September 2014 ceremony to commemorate this event. Mr. Robbins said that the Chamber hopes to be able to capitalize on this event. Mr. Robbins discussed the Chamber’s goals for 2014 which include the continuation of current marketing campaigns, printed media outreach for all Page County businesses and events, continue training and educational opportunities for local business owners, online training courses, and conducting mock job and scholarship interviews with high school seniors.

Luray/Page County Airport Authority

Mr. Powell Markowitz said that the airport’s runway project went very well and came in under budget. He will provide all final figures as soon as they are available. Mr. Markowitz said the Airport Authority is still awaiting the FAA’s required test of the precision approach indicators. He also informed that the airport has been able to supply fuel to emergency helicopters on an average of fifteen times per month. He explained that this is a critical time saving service to patients involved in these circumstances. Mr. Markowitz said that the authority will meet this Thursday night, with the following Thursday scheduled for a meeting with the FAA and DOAV. These organizations will conduct their annual ACIP meeting and inspect the completed project. After these two meetings, the authority plans to work on their annual budget and this will then be provided to council members.

Town Attorney, Jason Spitler, asked if the transfer application is progressing. Mr. Markowitz explained that there are two open grants with remaining funds that will need to be completed. Once the town and county sponsorship is converted to the authority as sponsors, then those grants will be finalized.

UPDATES

Hospital Sign Request

Town Planner, Ligon Webb, said that he has been in discussions with Mr. Clark of Page Memorial Hospital regarding the signage request. Mr. Webb said that there is a portion of the town code to look at special cases such as this and approve their request. Because of the “critical nature” of such facilities, the town’s sign ordinance provides that the Town Council may approve “*the specific sign proposal consistent with the character of the building to which it relates and other surrounding properties*”. Mr. Webb said that overall the signs will be larger and directional in nature. Mr. Webb also plans to meet with hospital representatives next week to revisit the traffic signal proposal. Initially, the town had decided to revisit this issue once the hospital was nearing completion. Mr. Webb said that the town will request that the hospital conduct the initial traffic study to determine if a signal is warranted. If not needed, he hopes that these funds can be appropriated for other intersection improvements. Councilwoman Menefee asked if the sign exemptions were typical in nature. Mr. Webb said that Valley Health uses uniform signage for its facilities and that these are critical in providing directional signage.

Motion: Councilwoman Menefee motioned to approve the sign ordinance exemptions for Valley Health-Page Memorial Hospital as requested, motion seconded by Councilman Vickers with the vote as follows: YEA: Council Members Vickers, Flasch, Menefee, Lancaster, Sours, Meaney. **Approved 6-0**

ACTION ITEMS

Council Meetings and Holiday Schedule 2014

Town Manager, Charlie Hoke, advised Council members that included in their packets is the 2014 Council Meeting and Holiday Schedule. Mayor Presgraves added that this schedule is concurrent with previous years and asked for action on this item.

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

TOWN ATTORNEY’S REPORT

Town Attorney, Jason Spitler, stated that his report was very brief this month. He stated that he has received final approval of the boundary line adjustments that were discussed. These items are on the court’s docket for tomorrow. Mr. Spitler said that he will also try to place Ms. Myers appointment to the BZA on the court docket; however if unable to, it will be placed on for next month. Mr. Spitler said he continues to work on miscellaneous projects with town staff.

ADJOURN

Mayor Presgraves thanked everyone for attending and said that Councilwoman Menefee has requested to have a word before adjourning the meeting. Councilwoman Menefee announced that she will not seek another term on town council during this year's election. She stated that she has some work commitments at this time, but does not rule out serving in the future.

With no further business, Mayor Presgraves adjourned the regular session of the Luray Town Council at approximately 8:25 pm.

Barry Presgraves
Mayor

Danielle Babb
Deputy Clerk-Treasurer