

**MINUTES OF A TOWN COUNCIL WORK SESSION
TOWN OF LURAY, VIRGINIA
Tuesday, February 28, 2017**

The Luray Town Council met in a work session on Tuesday, February 28, 2017 at 5:30 p.m. in the Luray Town Council Chambers located at 45 East Main Street, Luray, Virginia at which time there were present the following:

Presiding: Mayor Barry Presgraves

Council Present: Ron Vickers
Jerry Dofflemyer
Jerry Schiro
Leroy Lancaster
Joey Sours
Leah Pence

Also Present:

Charlie Hoke, Town Manager
Bryan Chrisman, Assistant Town Manager
Mary Broyles, Treasurer
Danielle Babb, Deputy Clerk Treasurer
Dixie Tate, Page News and Courier
Chief Carl S. "Bow" Cook, Luray Police Department
Lt. Chris Stoneberger, Luray Police Department
Mike Fulcher, VDOT-Staunton District Program Manager
Pat Racey, Racey Engineering
Tyler Austin, Racey Engineering
Brian Plum, Blue Ridge Bank

Mayor Presgraves led members in the United States Pledge of Allegiance. The roll was called with no members absent.

UPDATES AND DISCUSSION ITEMS

State of Good Repair Funds

Mr. Michael Fulcher, VDOT Staunton District, said he is very happy to be in attendance this evening. About a year ago, Smart Scale- Round One application scores for the Town were not favorable and no additional funding was received for the project. At that time it appeared that the State of Good Repair funds were going to be a viable option for the Town. Mr. Fulcher explained that the project team began preparing for this application process. He said that the applications were scheduled to go the

Commonwealth Transportation Board in December, but were delayed until January. At the CTB's February 16th meeting the allocations for State of Good Repair Funds were approved. Mr. Fulcher announced that at that meeting the Luray Bridge Replacement Project received \$1,953,030 in funding. He noted that previous allocations to the project were slightly over \$2 million, which were made up of Federal grant funding and local matching dollars. However, the Town still faced a significant deficit. Mr. Fulcher explained that the State of Good Repair funding will indeed cover this deficit for the project.

Mr. Fulcher said that the next step is to proceed with a funding verification to show the project is fully funded. This will allow the project team to proceed to the next step of issuing a request for proposals. The team's goal is to submit an RFP in late March; while many things must still fall into place, the team remains hopeful of meeting this goal.

Mr. Fulcher explained that the project has Revenue Sharing Funds allocated to it as well. The Revenue Sharing funds can remain on the project and possibly act as a contingency should costs come in high. Or, if not need on this project, the town can reallocate the Revenue Sharing Funds to other project in the town.

Mayor Presgraves thanked Mr. Fulcher for his efforts on the project on behalf of the town. Mr. Fulcher said that he is happy to see the project move forward.

Crosswalk on Collins Avenue

Bryan Chrisman, Assistant Town Manager, recalled that in October 2016 the Page County Fair Board requested that the town consider installing a crosswalk on Collins Avenue. Since that time, Mr. Chrisman along with Superintendent Lynn Mathews and Chief Cook have reviewed this request. Fair representatives are aware of the challenges that they face in trying to control the crowds of people that cross the roadway during fair week. Mr. Chrisman said that staff's recommendation on the issue is for Council to consider offering the Fair Board one painted crosswalk with the appropriate signage. Mr. Chrisman explained that this can be installed by town staff/contractor at a cost of less than \$1,200. He said that the fair would also need to encourage their patrons to utilize this crosswalk and to direct them to this safer area. He added that SVEC did evaluate the lighting in this area and found that it is a bit low. The Fair Board will need to address the lighting also.

Councilman Sours inquired about the "greenway crosswalk sign" and the changeable copy sign costs. Mr. Chrisman explained that a changeable message sign in the size needed for that area would come at a cost of about \$27,000 each. He noted that two of these signs would be needed. Mr. Chrisman said that Lt. Wagoner is looking for these as military surplus items. Councilman Schiro suggested leasing these signs during specific events. Councilman Schiro also encouraged budgeting for some of these signs, as they would be widely useful for town events. Mr. Chrisman explained that the "greenway" style crosswalk on Mechanic Street costs a little over \$10,000 to install. Councilman Dofflemyer asked about the parking in this area and how the fair will be able to funnel pedestrian traffic to the crosswalk. Councilman Lancaster said the Fair Board may have to consider fencing along Collins Avenue. Mr. Chrisman identified that the area does pose a pedestrian danger and the Fair Board is rightfully concerned.

Motion: Councilman Vickers motioned to allocate \$1,200 for the fair crosswalk as discussed; Councilwoman Pence seconded the motion with the following members voting YEA: Council Members Vickers, Dofflemyer, Schiro, Lancaster, Sours, Pence. **Approved 6-0**

Greenway Policy Update and Amendments

Town Manager, Charlie Hoke, presented information regarding any action taken involving the Greenway. This information includes action taken regarding the draft policy, maintenance agreement, and prohibiting the sale of alcohol. Mr. Hoke said that a meeting of stakeholders was held recently and included himself, Mr. Chrisman, Pat O'Brien, Morgan Housden, Ken Beyer, and Chief Cook. The purpose of the meeting was to be sure that any issue with donations on the Greenway not cause a problem as it has recently. Mr. Hoke said the 2004 Greenway Policy was uncovered and presented to the stakeholders. He noted that Greenway Foundation Chair, Ken Beyer, felt this was a well written document and covered all needs. Mr. Hoke recommended that the policy be amended to include all Parks and Recreation property. Mr. Hoke said the revised document had been provided to Pat O'Brien, Morgan Housden, and Ken Beyer for comment with only a few typographical changes. Mr. O'Brien requested that donations of less than \$200 in value not be governed by this policy. Mr. Hoke said that he did not include that provision in this document and doesn't feel that it fits the issue.

Councilman Schiro said that the only comment he had was under Section IV, regarding the review of items and the "recommendation is being determined by the committee". Mr. Hoke said this could be amended to say only "staff". Councilwoman Pence said that she sees no issues with items donated to the Greenway and that Parks and Recreation is doing a good job of accepting these donations. Ms. Pence said that she doesn't believe that Council Members need to vote on every donated item. Mr. Hoke said that he thinks it is important that the Council have a say on donated items. Mayor Presgraves said that he feels it is important to retain some sort of control over these items and suggested that Mr. Beyer have some input.

Councilman Schiro said that if we are going to legislate what goes on the Greenway in terms of signage and other items, there should be some standards. Mr. Schiro said we need to be very cautious of selecting items on a case by case basis. Mr. Hoke said that the 2004 policy details the process. Councilman Schiro agreed that this does detail the process, but it does not detail any criteria or standards. Councilman Schiro said that if Council is going to make a determination, then there needs to be at least some very minimum standards for approval or dis-approval. Councilman Dofflemyer said he would like to see some more diversity on what we are determining as "staff". He said that we are calling it "staff" rather than a "committee" and would suggest this process include Mr. Beyer, a liaison from Council, etc. Councilman Dofflemyer said that currently "staff" only refers to Mr. Hoke and Mr. O'Brien. Members agreed that standards could be very minimal, perhaps stating that items must be in "character with the Greenway", natural in element, etc. Members also discussed the labor involved with maintaining these donations and the town's maintenance agreement document.

Mr. Hoke said that he understands the Council would like a defined committee and to determine some standards for acceptable donations.

Planning Commission Request for B-1 Considerations

Town Manager, Charlie Hoke, said he received a zoning request for the short term rental use of a single family dwelling in the B-1 District. There is no by-right use for short term rentals of a single family dwelling in B-1. The Planning Commission reviewed this request and made recommendation to Council to consider adding short term rentals of single family dwellings, hostels, and B&B's as a by-right use in the B-1 District. Mr. Hoke asked if Council would like to consider these three uses and advertise for public hearing. Currently B&B's are by special use permit in B-1. Ms. Pence confirmed that this would save the applicant the expense of the special use permit process. Mr. Hoke said that since there are no objections, he will proceed with the public hearing advertising.

Draft Budget 2017-2018 Discussions

Town Manager, Charlie Hoke, presented the first draft of the 2017-2018 budget. Mr. Hoke began by reviewing the budget synopsis, he noted total Revenues of \$11,008,638 and total Expenditures of \$10,964,158. The first draft of the budget does include a 2% cost of living increase for employees. Mr. Hoke then proceeded to review the expenditures line by line. Mr. Hoke also noted a 16% increase in health insurance premiums. He agreed that the departments were conservative in their requests, but that capital expenditures were areas that saw reductions.

Discussion was held on the purchase of a new police vehicle. Councilman Schiro asked if this vehicle would also be leased. Chief Cook explained that he had planned to purchase this vehicle but is not opposed to leasing. Lt. Stoneberger explained that in order to participate in the lease option it must be for more than one vehicle. Members discussed maintenance costs associated with the department's high mileage vehicles. Councilman Schiro said he would like to see the town move toward a fleet management program. Council directed Chief Cook to look into the lease option further.

Councilman Dofflemeyer discussed the increase in Street Fund expenses. Mr. Hoke explained that a part-time employee has been added to assist with business recycling. Also, the capital outlay items includes a used pickup truck and sewer jet, where the town is currently utilizing a contractor for sewer pumping services. Street fund capital outlay also includes the Eden Road bridge replacement project.

Councilwoman Pence asked about the inclusion of a business recycling trailer. Mr. Hoke said that currently there is a high volume of business recycling, especially cardboard. The idea is to have a second crew pick up business recycling due to the high volume. Mr. Hoke said the town's recycling program is very popular and reduces the overall tonnage to the landfill.

Members went on to discuss the expenditures for Parks and Recreation. Councilman Schiro asked if the town is adding a full-time position to the Parks department. Mr. Hoke said that he excluded this request. Councilwoman Pence said she feels this should be added back into the department's budget. She has reviewed the upcoming special events calendar and there seem to be more and more events. She noted that a full time position was lost several years ago and never replaced. Mr. Hoke explained that an employee was lost several years ago, then subsequently an assistant director was hired. Mr. Hoke said

that he has requested that Mr. O'Brien justify the position in terms of man hours. He also acknowledged that the special events, sporting facilities, and maintenance of the park are all labor intensive but are seasonal in nature. Mr. Hoke said that a full time individual is expensive to bring on staff; despite this Mr. O'Brien suggested he would give up 3 part time individuals in order to add one full time. Councilman Schiro said that he is concerned that the year-to-date budget for part time labor is nearly fully expended half way through the year. Mr. Schiro said that either this needs to be managed more carefully or there is more work there. Mayor Presgraves asked if we are utilizing inmate labor. Mr. Hoke said that the Parks Department is not using inmates at this time. Councilwoman Pence said that she has read some reviews regarding the quality of the town's ball parks. She noted that during her campaign she also received some concerns about the town's ball fields and greenway flower beds. Ms. Pence stated that the town's recreation department is in a sense our marketing and economic development means. She added that there is a great deal of maintenance to be done on the Greenway and she sees many areas of repair needed. Councilman Schiro continued that it is of concern that part time labor is approaching 90% of the budgeted amount. Councilman Dofflemyer asked what the function would be of the new full time employee. Councilwoman Pence stated that as someone who hires seasonal employees, she would much rather have one full time employee than several part time. She said that a full time employee knows what is expected of them and is more motivated. Mr. Hoke added that he has advised Mr. O'Brien to advertise for more skilled part time workers. Councilman Sours questioned how the majority of part time laborers are utilized. Mr. Hoke said that they are seasonal workers and assist mostly with maintenance. Councilwoman Pence asked if Mr. O'Brien could come to the next work session to clarify some of these questions.

Councilman Schiro pointed out that the town's revenues in June 2016 were quite significant in the areas of transient occupancy and meals tax. He added that if these revenues continue on an upward trend, these combined may approach the amount of town real estate revenue. Mr. Schiro said that this is no small part due to tourism, special events, and town efforts. Therefore, he added, when we start talking about charging people for events and for town labor we need to consider the benefits the Town is receiving from these revenues. Mr. Schiro continued that these events are saving town taxpayers a great deal of money and we should not be too aggressive in charging sponsors.

Mr. Hoke then reviewed the capital outlay portion of the Parks and Recreation Budget. The department requested \$150,000 for lake restrooms, this was reduced to \$20,000 to evaluate the sewer options available. Also, a request was made for playground equipment at the R.H. Dean Park in the amount of \$100,000, this was reduced to \$50,000. Mr. Hoke said that this is going to be a very expensive replacement project and he has asked that this be broken up in to stages over several years. Councilman Sours noted a playground in Harrisonburg and said there are some very good materials out there if we can afford them. Mr. Dofflemyer said he was under the impression that all of the playground needed to come down, and asked if stages were indeed feasible. Members discussed more modern components and the maintenance associated with the current components. Councilman Vickers said he would like to see a plan developed of what a modern playground might look like at the park, thus giving us a goal to work toward. Members then discussed the request for astro-turf at the Ruffner Plaza, this request was denied. Councilman Lancaster said this is a project we surely do not want to start with the bridge project underway. Members discussed Lake Arrowhead campground upgrades that were included in the budget. Councilman Lancaster encouraged that we do not want to be in the camping business. He

agreed that it is helpful for events but asked if it is worthwhile to spend this kind of money for a few times per year. Councilman Lancaster said that we certainly do not want to compete with area campgrounds. Mr. Hoke explained that this began with the request for on-site camping at the Triathlon event.

Members asked if Mr. O'Brien was going to come in to clarify some of these questions. Mayor Presgraves said that he understood this was what Council wanted. Mayor Presgraves asked about the status of restrooms at Ruffner Plaza. Mr. Hoke said that this is a worthwhile project and that the town received some County TOT funds for this. Councilman Sours and Councilman Lancaster said this would be best held off on until after the bridge is constructed. Mr. Chrisman discussed the staging and material storage areas that will be utilized by the bridge contractors during construction.

Mr. Hoke reviewed the Planning and Zoning budget and noted staffing issues. Currently the Town is pursuing a part-time employee to fill the vacancy. Mr. Hoke said that staff is going to try to continue to fulfill these duties in-house but will contract an outside firm for larger projects. Councilman Sours asked why the budget remained unchanged. Mr. Hoke said this was in the event of hiring a full-time employee. Council and staff discussed cost estimates for contracted services with the Berkley Group. Councilman Schiro inquired about the Regional Commission's ability to assist. Mr. Hoke said that the Regional Commission would need to hire someone for this position and must have enough work to justify a full-time employee.

Mr. Hoke proceeded with reviewing the budget for economic development, capital projects, and debt service. Councilman Vickers said that he would like to see us pay off the ballpark loan more quickly. He recalled the cigarette tax being earmarked for this. Mr. Hoke explained that only the first year of the cigarette tax revenue was allocated to the park loan. Council suggested that the ball park loan's interest is very low and the town would be better suited to pay off other higher rate loans. Council recognized that the town has made a substantial effort to pay off the ball park loan, whereas the original amount was approximately \$900,000 and the remaining balance is about \$260,000. Councilwoman Pence inquired about the town's contributions to supporting Page County's economic development efforts. She added that the Town does not have its own economic development staff but is concerned by the amount spent on airport expenses. Mr. Hoke explained the town is obligated to support the airport as a part-owner. Ms. Pence said that she would like to see more effort put into assisting businesses that are already in existence and those trying to open. She added that the town's transient occupancy and meals tax revenues are direct results of the economic development efforts. Councilman Dofflemyer said that he is in favor of combining the Town Planner position with an Economic Development position. Councilman Lancaster said this is what Page County is doing and they serve all three towns. Councilman Sours said that he has attended several LDI meetings so far and he is very encouraged by their energy and direction. Council members discussed reinvesting consumer tax revenues in the town's economic development, potential incentive programs, and efforts to solicit new businesses and resources. Members discussed having a staff member in place to walk new business owners through the permitting process. Councilwoman Pence identified a local business that is facing a permitting issue that the owners were not aware of, thus causing a delay in opening. Councilman Lancaster felt business owners also need to educate themselves on the regulations regarding their type of business. Mr. Hoke said that he understands Council would like for him to explore a dual role position of Town Planner and Economic

Development. Councilman Dofflemyer said that we should take a few weeks and determine exactly the qualifications we are looking for before advertising.

Mr. Hoke reviewed the water fund expenditures in regards to data processing and water operations. Mr. Hoke noted that a water utility operator will be replaced, due to a recent resignation. Also, a part time employee will be added, this position will be shared between the Water Plant and WWTP for maintenance purposes. The sewer fund expenditures were also reviewed for data processing and operations. A detail of the town's debt service was also provided in Council's informational packets.

Councilman Schiro asked about the State of Good Repair Funds and the cash flow needed to pay bills on a reimbursement basis. Assistant Town Manager, Bryan Chrisman, said that Mr. Brian Plum, CEO- Blue Ridge Bank, is willing to work with the town on its interim financing through Note #4. Mr. Chrisman noted that currently as the town completes each fiscal year, reserve funds in the capital projects have been used to pay off these Notes. Mr. Chrisman said that he plans to work on a Press Release regarding the Bridge Funding and will relay that to the Page News and Courier.

Councilwoman Pence inquired about the state of the rental house at the recreation park. Mr. Hoke said that he had a contractor review the house and provide an estimate to bring it back into good condition. The contractor's estimate was approximately \$100,000 or more to renovate the house. Mr. Hoke then got another estimate, which came in much cheaper. This estimate would include a subcontractor to demo the interior of the house to determine the structural state of the home. The cost for the interior demo would be about \$10,000. Mr. Hoke explained that the property came with the acquisition of the ball park land. There are several options; to return the house to rental property, use for storage, or completely demolish. Staff and council discussed restrictions that would prohibit the town from parceling off the property.

Mr. Hoke summarized Council's direction for the budget. Council and Staff discussed the timing of the budget schedule and determined a special meeting would be the best option. Mayor Presgraves said that he and Mr. Hoke would determine a date for the meeting and notify council members.

Adjourn

With no further business, Mayor Presgraves adjourned the work session of the Luray Town Council at approximately 7:38 p.m.

Mayor, Barry Presgraves

Deputy Clerk, Danielle Babb