

**MINUTES OF A TOWN COUNCIL WORK SESSION
TOWN OF LURAY, VIRGINIA
Tuesday, April 26, 2016**

The Luray Town Council met in a work session on Tuesday, April 26, 2016 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
John Meaney

Also Present:

Charlie Hoke, Town Manager
Bryan Chrisman, Assistant Town Manager
Mary Broyles, Treasurer
Danielle Babb, Deputy Clerk Treasurer
Ligon Webb, Town Planner
Chris Slater, Page News and Courier
Pat Racey, Racey Engineering
Ronnie Short, Antioch Independent Bible Church

Mayor Presgraves led members in the United States Pledge of Allegiance. The roll was called with all members present.

UPDATES AND DISCUSSION ITEMS

Bridge Funding Progress and Options

Bryan Chrisman, Assistant Town Manager, updated Council members on the bridge funding progress and options. Mr. Chrisman started by saying that a successful NEPA Public Hearing was held and only three comments came out of the hearing which will be recorded in the final meeting transcript. Mr. Chrisman said that he along with Tyler Austin, Racey Engineering, are revising the request for proposals. The RFP would be the last item on their checklist in order to solicit contractor bids. He said that the State will need to approve the revised RFP. Mr. Chrisman reviewed the bridge financing to date and provided figures on the loan funds used thus far. Interim Funding on Note 1 has been fully utilized in the amount of \$290,000 and \$51,276 of an available \$1,000,000 in Note 2 funding. The total interim funds utilized to date are \$341,276. Total funding borrowed to date from Blue Ridge Bank is \$126,334, with a total interest paid of \$2,296. Once the RFP package has been approved, Mr. Chrisman explained that the project will move from the preliminary engineering phase to the right of way and construction phases.

Mr. Chrisman then explained the funding outlook for the project. He feels certain that the town will not receive House Bill 2 funds July 1, 2016. The State of Good Repair funds do not yet have an established amount of funding or process for application. Lastly, the revenue sharing funding is available but will mean a potential cost of \$976,515 in additional cost to the town. Mr. Chrisman said that our district bridge administrators continue to look for available funding. Councilman Schiro expressed concern about the uncertainty of funding and further delaying the project. Councilman Dofflemyer asked Mr. Chrisman why he does not foresee the town receiving House Bill 2 funding. Mr. Chrisman explained that despite a strong application, the town was ranked 29th of 29 projects applying for these funds. Mr. Chrisman said that many large transportation areas with much larger problems are also competing for these funds. Councilman Schiro said that the reality is that the town's project is competing against very large municipalities. He expressed concerns that the town is anxiously awaiting funding, while in the meantime construction costs are rising. Mr. Chrisman said that the town faces several funding challenges and that currently the only funds available to the town are the revenue sharing monies. The revenue sharing funds would require the town to share 50% of the cost liability. Councilman Schiro said the critical decision for the town is at what point we become proactive rather than reactive. Mr. Chrisman discussed several options outlined in his staff report. Council emphasized option 4 – Utilize the current Revenue Sharing Application this cycle (\$976,515 from the town).

Mr. Chrisman reiterated that the bridge is the responsibility of the town to maintain, it is included in the town's transportation network, within its corporate limits, and therefore the town is 100% responsible for this project. He explained that East and West Main Street make up a large portion of the town's road maintenance funding. Pat Racey, Racey Engineering, said that unfortunately the town is competing against large municipalities and this leaves the town holding the bag on these major projects. Mr. Racey said that estimates for the project are just that, estimates, and that until a proposal goes out we won't know for certain the cost of construction. He said that it is also challenging that the town cannot put out the RFP until it is approved by VDOT. Mr. Racey also addressed the declining condition of the bridge.

Council also discussed the pedestrian mall that was created in Winchester. Mr. Chrisman said that this downtown route was not on a primary one. Councilman Lancaster asked how this project compares to the funding of the other bridge replacements in town; such as, Oscar Sours Bridge, Linden Avenue, and Mechanic Street. Mr. Racey explained that at that time there were different funding mechanisms in place. He said that these funding mechanisms are no longer in existence. These methods of funding allowed the locality to save up for these projects.

Mr. Chrisman said that if instructed to proceed with the revenue sharing option, the town's maintenance dollars will not be affected. He said that if Council authorizes the revenue sharing option in full, the funds will become available July 1st. Mr. Chrisman explained that if the current estimate is less than anticipated then the actual amount needed under revenue sharing will be less. Councilman Dofflemyer asked if we are certain that the town will not receive funding next year either. Mr. Chrisman said that there is no way to predict if the town will receive any funding in 2016.

Mayor Presgraves asked about the consequences of pushing the project forward another year. Mr. Chrisman explained that if the project is pushed back another year; the town can still utilize revenue sharing. However, the cost of construction and likely the cost to borrow money will both increase. Councilman Schiro said that utilizing the revenue sharing application this cycle will allow us to get the RFP's out. Pat Racey said that 90% funding must be available before VDOT will approve the request for proposal advertisement. Councilman Schiro said given the escalating cost of construction and the reality that interest rates will likely go up, waiting another year is not the best option and the town should utilize the revenue sharing funds now. Mayor Presgraves asked

why the cost of the project had gone up so much from the initial estimates and federal grant funding. Mr. Chrisman said that 2008 estimates were used in the application and it is likely that this bridge won't be completed until 2018. Mr. Chrisman said that the estimates for revenue sharing may be high but that we won't know for certain until bids go out.

If Council chooses to take the revenue sharing option, bids could hopefully be out by August 1st. Councilman Sours asked about the financing term for the town's share of the project. Mr. Chrisman said that the town already has interim financing through Blue Ridge Bank, but could get a proposal from the bank for long term financing. Mayor Presgraves confirmed that if Council chooses to adopt the revenue sharing option then Mr. Chrisman will need to have a determination no later than next month. Councilman Dofflemyer said that he is curious about the timeline for construction, as this is the main concern from citizens. Mr. Chrisman said that the construction time period would still remain from approximately mid-2017 through mid-2018. Councilman Sours reminded that overall the town is still only responsible for about 35% of the total cost. Councilman Schiro encouraged Council to take action this evening rather than waiting two more weeks. Councilman Meaney agreed that he sees no other choice. Mr. Chrisman said that he was not anticipating action this evening but Council can do so if they would like. Councilman Sours said that he would like to know the associated tax burden. He would prefer to wait and see an approximate amortization schedule. Council agreed to wait until May 9th to make a determination. Mayor Presgraves asked Mr. Chrisman to come back with the additional information and that a decision would be made by Council at the meeting.

Antioch Independent Bible Church Sewer Exception

Assistant Town Manager, Bryan Chrisman, said that he had been contacted by Josh Parlett of Antioch Independent Bible Church. The email request from Mr. Parlett requests that the church be granted an exception to the Town Code Section 86-171(d) regarding Mandatory Sewer Connections. The church would like to construct a restroom facility adjacent to a picnic shelter owned by the church. Mr. Chrisman explained that the town code says if public sewer is available within 100 feet of the property line, then the applicant must connect. He explained that as best he can tell, the sewer connection is somewhere between 98-100 feet away from the property line and runs across US 340. He said that the church's objective is to put a more sanitary restroom facility near the picnic shelter at the rear of the property. Mr. Chrisman displayed a map rendering in order to show the location of the proposed facility and the nearest sewer connections. He said that the intent for the water connection is to attach to the nearby residence and maintain a private arrangement to reimburse them for the water. There would be no separate metering of water and the agreement would be entirely private between the owner and the church.

Mr. Chrisman explained that if sewer were to be connected, a bore under US 340 would be required and is located within a very sandy/cobbly soil. The town would be required to enlarge and sleeve the bore run from the manhole. Mr. Chrisman explained that the cost to the town of extending these utilities will far exceed the facility and connection fees received from the applicant.

Councilman Lancaster asked about incorrect information on the ownership of the property. Mr. Chrisman said he encountered the same issue and that this has been resolved with the GIS office. Councilman Lancaster suggested a connection to the rear of the church property and a connection off of South Court Street. Mr. Chrisman indicated that this would require a pump station due to the flat nature of the property. Councilman Lancaster said he has discussed the location of connections with Superintendent Lynn Mathews. Mayor Presgraves said that the most economical solution for the church is a pump and haul private sewer system.

Mr. Ronnie Short, Antioch Independent Bible Church, said that the intended purpose is for special events that occur about four times per year.

Councilman Lancaster asked about the sewer connection for 210 Virginia Avenue. He said that this address is billed for both water and sewer. Councilman Vickers questioned other options than routing the sewer under US 340. Councilman Lancaster expressed concern for allowing a private septic system when it has not been allowed in the past. Mayor Presgraves asked Mr. Short how soon the church is planning to build. Mr. Short said that they would like to construct the facility as soon as possible. Mr. Chrisman said that if the church would elect to connect to public sewer for this facility, the fees paid by the church would amount to a total of \$9,260. He maintained that there was no way the town could bore under US 340 for this amount and would likely spend in excess of \$20,000 to make the connection. Mr. Chrisman said that while he understands Councilman Lancaster's concerns for allowing a private system, the town has a great deal of private septic systems still in existence. Mayor Presgraves suggested more information be obtained and Council act on this request at the May 9th meeting. Councilman Schiro said that he is opposed to a septic drain field in this area and that a pump and haul system will limit this to the specific activity that is the subject of request.

Employee Bonus Program

Town Manager, Charlie Hoke, said that Councilman Vickers and staff have worked on suggested guidelines for the program. If Council so chooses to approve a bonus program, the criteria have been included in the staff report. The suggested guidelines are that one employee be awarded per quarter. Recommendations are such that an employee receive this award once per year, the employee must have worked for the town at least one year, the employee performs above and beyond expectations as determined by the department head, employee actions realized with time or cost saving idea, department head's written summary of their recommendation for the award. Councilman Vickers said that the time or cost saving criteria may be difficult to justify. He suggested that the intent of the award is for employee morale. Councilman Vickers asked Mr. Hoke about Page County's results with the program. Mr. Hoke said that the county did acknowledge some disgruntlement among employees. Councilman Dofflemyer confirmed that each department would submit an employee and that one would be chosen among all departments for the reward. Councilman Vickers said the criteria is difficult to come up with because job functions are very different among departments. He emphasized that this program is a low cost way to show that Council cares about its employees. Councilman Vickers also suggested that the employee get some community recognition. Councilman Schiro said that we need to be clear of the criteria and guidelines of how the program works. Town Manager, Charlie Hoke, said that this would be distributed through payroll and would be subject to employee tax withholdings. Councilman Dofflemyer suggested an employee recognition plaque.

Sign Permit Review

Town Manager, Charlie Hoke, said that a recent Supreme Court opinion ruled that sign ordinances cannot infringe upon the First Amendment Rights of the US Constitution. The decision means that the town's sign ordinance cannot impose restrictions according to a sign's content. Town Attorney, Jason Botkins, has reviewed the town's sign ordinance and made some recommendations so that the town will not be challenged on this issue. Currently the town's existing ordinance is deemed unconstitutional. Mayor Presgraves noted that the Town Attorney also removed some redundancy and reduced the total number of pages of the ordinance. Mayor Presgraves said that the revisions look good and this will be placed on the May agenda.

Councilman Vickers said that he has seen an increase in the number of feather banner signs in town. He understands that they are allowable for openings and special events; however, others don't seem to adhere to this. Mr. Hoke said that he will advise code enforcement that these businesses need to be notified. Council discussed several other signs that may pose a safety hazard.

Budget Review

Town Manager, Charlie Hoke, said the last item on the agenda is the draft 2016-2017 budget. He noted one change regarding water revenues due to third quarter water usage data. The Customer Water Sales line item has been reduced by \$23,500 due to current revenue trends. Staff is proposing that water facility fees be used to fund the water replacement on Leaksville Road in order to maintain a balanced budget. Mr. Hoke would like to proceed to the public advertising phase of the budget. Councilman Vickers confirmed that there are no rate increases in the draft budget.

Adjourn

Councilman Lancaster said he had a few other issues to address before the meeting is adjourned. He addressed the issue of mislabeled properties in the town that may lead to lost tax revenue. Mr. Chrisman said that the GIS office is researching this and forwarding changes to the County Commissioner of Revenue's office.

Mr. Hoke said that the town has looked at the recent request for a dog park. He said that site locations and costs are being considered.

Councilman Lancaster also discussed the mowing of the Tutt property on Bixler's Ferry Road. He said the town has been maintaining the field for years and should enforce that the property owners/heirs take over maintenance of the parcel.

Councilman Lancaster asked if the town maintains insurance on the Brown's building. Mr. Hoke said that Treasurer Mary Broyles has added this to the town's VML Insurance listing. Treasurer Broyles said that the building is insured the same as all other town owned property. Mr. Lancaster asked why work had stopped on the building. Mr. Hoke responded that weather and scheduling had been a factor. Councilman Schiro questioned some of the planned repairs. He suggested that staff research the Frazier Associates reports for color schemes and suggested that the town utilize these professional renderings.

With no further business, Mayor Presgraves adjourned the work session of the Luray Town Council at approximately 7:10 p.m.

Mayor, Barry Presgraves

Deputy Clerk, Danielle Babb