

**MINUTES OF A TOWN COUNCIL
WORK SESSION MEETING
TOWN OF LURAY, VIRGINIA
Tuesday, June 26, 2018
5:30pm**

The Luray Town Council met in a Work Session Meeting on Tuesday, June 26, 2018 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
Joseph Sours

Council Absent: Leah Pence

Others Present: Steven Burke, Town Manager
Bryan Chrisman, Assistant Town Manager
Chief C.S. "Bow" Cook
Mary Broyles, Clerk - Treasurer
Danielle Babb, Deputy Clerk Treasurer
Cynthia Hines, USDA

Mayor Presgraves led members in the United States Pledge of Allegiance. The roll was called with one member absent.

UPDATES & DISCUSSION ITEMS

USDA Sewer System Improvement

Assistant Town Manager, Bryan Chrisman, introduced Ms. Cyndy Hines of Rural Development-USDA to discuss the Town's financing of Sewer System Improvements.

Cyndy Hines- USDA – Rural Development

Ms. Hines said she enjoys working with small towns and has worked with other institutions in Luray. The agency assists with financing for water and sewer improvements, hospitals, fire departments, and more. Ms. Hines presented information to Town Council on the financing options available through USDA. She explained that the interest rate available to the Town is currently 3.125% and is based on the town's median household income. She furthered that the interest rate is fixed and there are no prepayment penalties. The Town would be required to

provide a general obligation bond or a revenue bond for the repayment of the loan. The financing could include legal fees, bond counsel fees, construction costs, etc. Council was provided with several handouts, one of which detailed the engineering estimate for the total sewer improvements of \$4.42 million. Ms. Hines explained the loan application process, letter of conditions, construction bid selection, and monthly progress meetings. Another handout detailed the Town's four existing VRA Loans, annual payments, and savings to be recognized after the refinance. Councilman Schiro asked at what point the interest rate would be locked in. Ms. Hines stated that it would be at the point the *letter of conditions* is issued and would be before the end of October. She furthered that her agency does operate on an October fiscal year and that the deadline for the application has been extended to mid-July. Ms. Hines noted that this would help the town's overall debt service. Councilman Schiro noted that this would be extending the loans from 20 years to 40 years. Ms. Hines explained that Council can refinance all, or part, of existing loans and various options can be reviewed by members and staff. Councilman Dofflemyer discussed the town's existing rate schedule and inquired about the impact on rates for citizens due to the financing requirements. Ms. Hines discussed how the USDA calculates rates and explained the process of "EDU Calculations". She noted that the Town would need to raise rates incrementally each year.

Councilman Vickers asked about the nature of the improvements. Mr. Chrisman said that the improvements would include influent station improvements, septage receipt improvements and metering, wastewater plant needs, collections system upgrades, and trunk line repairs/expansion. Mr. Chrisman explained that overall this would allow the Town room to expand its sewer system and accept additional users. Mr. Chrisman added that East Luray has its share of sewer related challenges and this is a very serious consideration for Council.

Ms. Hines stated that the Richmond office has extended the application deadline to July and will need to be submitted by mid-month. She added that this financing availability may not be available again until next Spring upon the agency's new budget year, if at all. Councilman Sours suggested not refinancing existing zero percent debt and also using an accelerated repayment schedule to shorten the 40 year term. Mayor Presgraves discussed the impact of rising rates on citizens. Council and Town Staff also discussed the issue of septage receipt and the lack of metering. Councilman Schiro discussed areas for system growth and the capability of offering sewer service. Council members requested additional figures and scenarios for consideration. Councilman Dofflemyer verified that if the application deadline can be met in July, then the rate could be locked in. Mr. Chrisman said that he would bring back additional information at the July 9th meeting for Council to consider.

Board of Zoning Appeals – Term Expirations

Town Manager, Steve Burke, said that there are two individuals on the Board of Zoning Appeals whose terms are set to expire. Mr. Burke said he has spoken to Ms. Rose Anne Smythe and she would like to be reappointed. Mr. Burke said he has not yet heard from Mr. Michael Swenson. Mayor Presgraves said that he has spoken with Mr. Swenson and should hear back from him this week.

Special Event Permit

Mr. Burke discussed the draft Special Event Permit and new Town Code Section 74-22 which would establish new regulations and process for the use of Town Right-of-Way, Parks, Events, Assemblies, Parades, etc. Mr. Burke said that he has included recommendations received from Mr. Botkins. Council was provided with a copy of the draft code, draft application, and draft permit. Mr. Burke asked that if Council members have any questions or comments that they see staff. Council will re-visit the issue at the July or August meeting.

Chief Cook mentioned that the application process gives staff a chance to speak with groups and discuss their intentions for such events. He said that this allow staff to assess if the event should be approved, rules to be

followed, and staff/police personnel needed. Mr. Burke said that the intention is to avoid events that may result in conflict between two opposing groups.

Social Media

Town Manager, Steve Burke, discussed the Town's use of Social Media and noted that the Town has expanded its social media presence to include Facebook, Instagram, and LinkedIn. Mr. Burke is proposing Council consider the adoption of Town Code Section 2-177 regarding Social Media. He noted that the policy would provide guidance to staff as well as specify the unacceptable public comment posts that staff would be authorized to remove from the social media sites. The policy and guidelines have been reviewed and changes recommended by Town Attorney Jason Botkins. Councilman Sours inquired about the Town's current policy on social media citizen comments. Mr. Burke said that currently the policy is wide open.

Movie Night Funding

Town Manager, Steve Burke, said that the Council is requested to discuss funding in the amount of \$500 from the Parks and Recreation line item to assist the Chamber of Commerce in purchasing a new projector for their movie night events. Mr. Burke said that with the financial contribution also comes to ability to utilize the projector and screen for any events that the town may want to conduct. Mr. Burke said that Page County TOT monies are not available for capital purchases and are only available for events that draw out of town guests. The overall cost of the projector is about \$1400 with the Town contributing \$500 toward the purchase.

ANNOUNCEMENTS/ ADJOURN

Mr. Burke said that the July 4th Fireworks display is on track and provided a copy of the land use agreement with Motel Inc.

Mayor Presgraves reminded everyone of the Employee Picnic on July 3rd.

Councilman Lancaster mentioned an Updike garbage truck that is trafficking through town and would like for staff and the Police Chief to look into. Also, Mr. Lancaster discussed mowing issues in town and throwing grass into the streets and storm drains. Chief Cook said that he has addressed one issue in particular. Councilman Lancaster would like to see the Page News and Courier do an article on this. He also suggested that Town employees be mindful of grass in the roadways as well. Mr. Lancaster also discussed the Tannery property and the overgrowth issues there. Mr. Burke said that due to the fireworks display on this property the Town will have to mow the entire area in order to mitigate any fire hazards.

Councilman Lancaster also discussed various street lights that are out. Chief Cook said that his department will more closely monitor these and that town staff is reporting these to SVEC.

Lastly, Councilman Lancaster discussed metering for bulk water and contractors using hydrants. He discussed contractors using the hydrants to fill pools, and suggested a hydrant meter. He also recalled former discussions on placing a drop near the Water Plant so that contractors must pull up and pay for water at that location only.

Assistant Town Manager, Bryan Chrisman, said that the Bridge work is on schedule and full street closure should commence between July 9th and 16th. Current work is on the waterline across Hawksbill Creek.

With no further business, Mayor Presgraves adjourned the Work Session Meeting of the Luray Town Council at approximately 6:50 p.m.

Mayor, Barry Presgraves

Deputy Clerk, Danielle Babb