



TOWN COUNCIL WORK SESSION

Monday, January 7, 2019 @ 6:00pm

Town Hall Council Chambers

1. CLOSED MEETING – Planning Commission Interviews

Motion to go Into Closed Meeting

Councilman Sealock moved, seconded by Councilman Gillispie that Town Council go into closed meeting to discuss and consider prospective candidates for the Planning Commission, pursuant to Section 2.2-3711.A.1 of the Code of Virginia.

Vote: Yes – Gillispie, Holloway Meza, Sealock, Tewalt and Thompson
No – N/A
Abstain – N/A
Absent – N/A
(Mayor Tharpe did not vote as there was no tie to require his vote)
(By Roll Call)

Motion to Certify Closed Meeting at its Conclusion

Councilman Sealock moved, seconded by Councilman Gillispie that Council certify that to the best of each member's knowledge, as recognized by each Council member's affirmative vote, that only such public business matters lawfully exempted from Open Meeting requirements under the Virginia Freedom of Information Act as were identified in the motion by which the Closed Meeting was convened were heard, discussed or considered in the Closed Meeting by Council, and that the vote of each individual member of Council be taken by roll call and recorded and included in the minutes of the meeting of Town Council.

Vote: Yes – Gillispie, Holloway, Meza, Sealock, Tewalt and Thompson
No – N/A
Abstain – N/A
Absent – N/A
(Mayor Tharpe did not vote as there was no tie to require his vote)
(By Roll Call)

2. Continued Discussion of BMW Real Estate LLC Proffer Revision Request – Dir of P&Z

SUMMARY: BMW Real Estate LLC submitted a request to revise the proffers for their vacant piece of commercial property located on John Marshall Highway. The Planning Commission recommended approval of the proffers. Town Council previously met on December 3, 2018 and reviewed the submission. Town Council requested the applicant to revise the proffers to restrict evening hours for retail uses. Attached is a revised proffer statement that was submitted voluntarily by the applicant on December 17, 2018. Section I, item *bb*, includes the new language that restricts retail stores that are open between the hours of 9PM and 6AM. The staff report previously provided is also attached for reference. Revision of proffers require a public hearing and two readings in a regular Town Council meeting.

Staff Report Conclusions:

The Planning Commission recommended approval of the revised proffers during their October Planning Commission Meeting. Review with Town Council was postponed until December at the request of the Applicant.

The Planning Commission's recommendation of approval was contingent on the applicant revising the proffers to restrict restaurants that are open between 9PM and 6AM, and a wording change to section 3 of the proffers regarding the building exterior. The current draft was submitted by the Applicant after the Planning Commission meeting and addresses the Planning Commission's concerns.

Overall, the proposed proffers allow a few more uses that currently allowed but was still true to the intent of the original rezoning in the opinion of the Planning Commission.

Citizens spoke at the Planning Commission meeting primarily regarding the existing dead row of trees between the property and the adjacent residential houses. When the Applicant's property is developed, the Town Code requires a buffer be installed at this location. That will require removal of the existing and dead trees and replanting of a new buffer that complies with the Town Code specifications.

*Town Council requested that the applicant restrict evening hours for retail uses during their initial review of the Application in December. The applicant revised the proffers to include this requested change (Section 1, item *bb*). A public hearing with Town Council is required prior to action on the application. Furthermore, two readings are required.*

Council Discussion: Mr. Camp noted that the applicant had agreed to the restrictions on night hours for future potential retail uses as requested by Town Council at the first worksession.

The applicant noted that they have agreed to the changes as described by Mr. Camp and have no issue as presented. Vice Mayor Tewalt stated that he would not want to have laundromats and retail establishments during the hours 9 pm-6 am. Mr. Meza noted that every business could not be restricted as it was commercial property. Mr. Camp stated that the list in the proffers is additional changes. Mr. Meza stated that if Council was going to be consistent they should say that all businesses – not just laundromats.

Mayor Tharpe noted that a white vinyl fence is being requested by the residents in the rear of the property, as the trees at the rear were in very poor shape. Mr. Camp stated that a fence is not required; Mayor Tharpe stated that a fence would be helpful if the applicant would be agreeable. Mr. Tewalt noted that a laundromat that is open 24/7 backing up to residents would not be desirable and hopefully the applicant would keep that in mind. Mayor Tharpe stated it seemed ready to go forward with public hearing when ready.

3. Special Use Permit for VFW – Director of Planning/Zoning

SUMMARY: VFW, Post 1860, submitted an application to establish an assembly hall (lodge) on their property located at the end of N. Royal Avenue adjacent to the South Fork of the Shenandoah River. The new lodge will be built in the same location that the previous lodge, before it was destroyed by fire and then demolished in 2015. The Planning Commission reviewed the Application on November 28, 2018 and recommended approval with the conditions noted in the Staff Report. Attached is a copy of the Staff report and supporting documents submitted by the Applicant. The new lodge will be elevated to comply with the floodplain requirements.

Staff Review Comments:

The site plan was revised by the Applicant after initial review comments were provided by Town Staff. The revised site plan is included in the Planning Commission packets and has been approved by the Town Departments of Public Works and Energy Services. The Town Planning & Zoning Department has not yet approved the site plan because of the following review comments:

- Include a label to the effect that the existing gravel driveway will be removed from the property.
 - Include a label to the effect that the existing asphalt parking lot areas outside of the proposed parking lot will be removed within the front yard area and replace with topsoil and seeded.
 - Curb and gutter is required along the portion of N. Royal Avenue that fronts the proposed development. The curb and gutter shown around the perimeter of the parking lot is optional, and not required by the Town.
- Along with the proposed lodge, the site plan includes 48 parking spaces, including 2 handicap accessible spaces, parking lot landscaping, and relocation of the water meter. The proposed building will comply with the required setbacks, height and floodplain regulations.

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Council Discussion: Councilman Meza noted that he was not inclined to make the VFW install curb and gutter at the building; Councilmen Holloway and Thompson agreed. Councilman Sealock noted that he does not see why curb and gutter needed to be installed all the way around the parking lot as suggested on the site plan though it should go along the roadway. Vice Mayor Tewalt stated that curb and gutter needed to be installed at the street line; Mr. Sealock expressed his agreement with Mr. Tewalt.

Mr. Meza stated that the Town would be taking advantage of the VFW's misfortune if the Town required curb and gutter where it was not previously installed. Mr. Tewalt noted his disagreement with Mr. Meza – stating that the Town would not be taking advantage of the VFW. Mr. Tewalt noted that he just wanted what was best for the parcel of property to prevent damage.

Mayor Tharpe noted that two motions could be put on the agenda – with and without the curb and gutter. He then changed his mind and decided on one motion at the direction of Mr. Sealock.

Councilman Sealock stated that mud has rolled down the hill and he would not support lack of curb and gutter at the site. Mr. Meza noted that Council only got a say in the item because of the timeframe and the raising of the building and he would support the curb and gutter installation.

4. Special Use Permit for David Dixon – *Director of Planning/ Zoning*

SUMMARY: David Dixon submitted an application to develop a detached single-family dwelling on a vacant lot in the R-1 Zoning District that is nonconforming. The lot is located on W. 18th Street. The lot does not meet the minimum lot width requirements of the R-1 Zoning District. As required in the Town Code, a special use permit is required before a nonconforming lot can be developed in the R-1 District (when less than 80% of minimum standard). The application was reviewed by the Planning Commission and their recommendation was approval with the following conditions:

- 1) The Applicant shall revise the application to increase the house size as specified in the Staff Report to comply with the Town Code minimum requirement for nonconforming lots.
- 2) The Applicant shall provide a complete grading plan and drainage calculations for the site.
- 3) Development of the lot shall comply with all requirements of the Town Code, including, but not limited to, off-street parking.

Additional information is included within the attached Staff Report and supporting documents submitted by the Applicant

Council Discussion: Councilman Holloway suggested a wider home rather than a shotgun home. He suggested lessening the setbacks and have it blend into the area better. Councilman Meza expressed his agreement; Mr. Camp noted his agreement but added that it would have to go to the Board of Zoning Appeals for such a change.

Vice Mayor Tewalt stated that the Special Use Permit would not be transferrable be to another owner. Mr. Camp noted that it could be transferred he believed. Mr. Napier expressed his agreement with Mr. Camp. Mr. Tewalt asked for the law so he could review it.

5. FY20 Budgetary Items Overview – *Director of Finance*

SUMMARY: Staff is providing council with a list of FY2020 initial departmental budget requests for capital items, staffing, and other items impacting the budget prior to being incorporated into the FY2020 proposed budget.

The list includes departmental requests that will likely be deferred for the future and are not planned to be included in the FY2020 budget at this time. Staff anticipates that additional items will need to be deferred in order to provide a balanced proposed budget.

FY20 Budgetary Items Currently Under Review

**Highlighted items will likely be deferred for the future and are not planned to be included in the FY20 proposed budget at this time*

***Additional items are anticipated to be deferred in order to provide a balanced proposed budget*

STAFFING/SALARY CHANGES

Department Description Budget Impact

ALL Compensation Study Year 2 \$ 140,000.00

ALL 3% Merit Increase \$ 343,000.00
ALL 1.17% C.O.L.A. Increase effective January 1, 2020 \$ 122,000.00
ALL Estimated 7% Medical Insurance Increase \$ 135,000.00
Town Attorney Temporary Legal Assistant \$ 5 ,000.00
Horticulture Maintenance Worker Position \$ 31,070.00

SERVICES

Department Description Budget Impact

Water Treatment Plant Backflow Compliance Program \$ 50,000.00
Water Treatment Plant Clearwell 1 & 2 Inspections \$ 30,000.00
Streets Prospect Bridge Repairs \$ 210,000.00
Planning & Zoning Leach Run Parkway Flyover Engineering \$ 50,000.00

MACHINERY & EQUIPMENT

Department Description Budget Impact

Fleet Maintenance Parts Washer \$ 10,000.00
Information Technology Police Department In-Car Camera System \$ 50,000.00
Information Technology VM Ware \$ 35,000.00
Information Technology Rapid Recovery Server \$ 25,000.00
Police Department Body Worn Cameras \$ 12,960.00
Horticulture Replace #745 walk behind mower with a zero turn mower \$ 15,000.00
Horticulture Replace 72" mower deck with a 60" mower deck on mower \$ 3 ,500.00
Electric Dept Emergency Generator \$ 75,000.00
Electric Dept Replace 1966 Wire Trailer \$ 10,000.00
Water Line Maintenance Replace Valve Turning Machine \$ 50,000.00
Water Sewer Line Maintenance Purchase Dump Trailer \$ 10,000.00
Water Sewer Line Maintenance Purchase Jack Hammer for Backhoe \$ 23,000.00
Water Sewer Line Maintenance Purchase Message Board \$ 15,000.00
Streets Replace Asphalt Roller (Year 2 of 5) \$ 30,000.00
Streets Replace Sign Cutter \$ 12,000.00
Inspections Replace Air Monitor \$ 5 ,000.00
Inspections Construction Plan Printer \$ 5 ,000.00
Solid Waste Replace #695 - 1992 Kahn Recycle Trailer \$ 48,000.00
Solid Waste Replace #685 - Refuse Truck 2004 Auto Car [1st Payment Allocated in FY19] \$ 140,000.00
Fleet Maintenance Replace #542 - 2002 GMC 3500 Utility Pickup \$ 60,000.00
Police Department Replace #217 - 2017 Ford Explorer \$ 43,550.00
Police Department Replace #218 - 2017 Ford Explorer \$ 43,550.00
Police Department Replace #219 - 2017 Ford Explorer \$ 43,550.00
Horticulture Replace #716 - 2003 Chevrolet 2500 Pickup with lift gate & snow plow \$ 40,000.00
Electric Department Replace #344 - 1999 Chevrolet Bucket Truck \$ 210,000.00
Waste Water Treatment Plant Fork Truck \$ 33,000.00
Streets Replace #682 - 2001 Jeep Liberty \$ 47,000.00
Streets Replace #646 - 1991 Ford L8000 replace with Tandem Dumptruck (Year 2 of 3) \$ 71,000.00
Police Department Replace #294 - 2000 Chevrolet Silverado \$ 43,550.00

BUILDINGS & STRUCTURES

Department Description Budget Impact

Fleet Management Building Rehabilitation Project (Allocation over multiple years) TBD
Electric Department Construction of Bio-Retention Pond \$ 25,000.00

Solid Waste Dumpster Enclosure on Peyton Street Parking Lot \$ 8 ,000.00
 Water/Sewer Line Maintenance Storage Shed \$ 24,000.00
 Water Meter Reading Final Year for Funding of Radio Water Meters \$ 460,000.00
 Water Debt Service Estimated Debt Service on Town's portion of parallel lines in corridor TBD
 Water Treatment Plant Replace Pumps at Raw Water Station Year 1 of 3 \$ 75,000.00
 Water Treatment Plant Dezurik Pump Control Valve Replacement & Repair \$ 40,000.00
 Waste Water Treatment Plant Chemicals Operation Increase \$ 800,000.00
 Waste Water Treatment Plant Equalization Basin Blowers \$ 70,000.00
 Electric Expansion of Service for Leach Run Parkway \$ 125,000.00
 Electric Kendrick Lane Transformer Replacement year 2 of 6 \$ 142,500.00
 Electric Three Phase Recloser John Marshall Highway \$ 25,000.00
 Streets Maintaining Crosswalks \$ 40,000.00
 Streets Primary Paving Plan [N Shenandoah Ave from W 17th to W 14th] \$ 179,100.00
 Streets Secondary Paving Plan [Portions of Leach St/Northview St, Braxton Rd, Wines St, Evelyn Ct] \$ 573,887
 Streets Slurry Seal \$ 130,000.00
 Electric Automated Metering Infrastructure TBD
 Police Department Debt Service on Police Department Headquarters TBD
 Economic Development Debt Service owed to the EDA TBD

Council Discussion: To answer Mr. Tewalt's questions, Mr. Waltz noted that vehicle leasing was not the best option at this time. Mr. Jenkins of Energy Services noted that the Town Engineer would be assisting the Department with rebuilding the BIO retention pond and the DEQ stated that it would not be sufficient.

Mr. Tewalt noted that to implement the list the enterprise funds would need to be increased; Mr. Wilson noted that it would be the general fund actually. Mr. Sealock asked about additional crosswalk installation funding. Mr. Waltz noted that there was \$50,000 in there for maintenance and two for installing two crosswalks. Mr. Sealock noted that he would like five crosswalks installed. Mayor Tharpe stated that it should come into a worksession to allow Staff the time to work the budget properly. Mr. Sealock asked that the Safety Committee needed to be reconvened in order to review the safety matter.

Mr. Meza asked if this would be incorporated into the budget; Mr. Wilson stated that if Council should or should not include certain items would be up to the group. Mr. Meza stated that he would need to review the items based on the overall impact of the budget. Mr. Waltz stated that he would like the Council to be advised of the requests which they may be faced with and he is open to Council guidance. Mr. Waltz noted that the revenue forecasting would be at the next worksession.

6. Appointments for Vice Mayor and Audit & Finance Committee

SUMMARY: Council is requested to appoint two members of Town Council to the Audit and Finance Committee to a one-year term expiring December 31, 2019. Councilmen Tewalt and Meza terms expired December 31, 2018.

Council is requested to appoint a Vice Mayor to the Town Council to serve a two-year term expiring December 31, 2020.

Appointments will be placed on the January 14, 2019 agenda for formal approval.

Council Discussion: Mr. Meza and Mr. Tewalt noted that they would like to continue on the Finance Committee. Mr. Tewalt voiced his support of Mr. Sealock for Vice Mayor.

7. Council Discussion/Goals

Mr. Wilson gave an update regarding the financing options of the Police Department. He noted they could choose either a 20-year loan with \$730,000 in payments or a 30-year loan with about \$580,000 in payments. He stated that a one cent tax increase would bring in \$105,000 based on recent home values, but preliminary results from the recent reassessment indicate that may increase to about \$135,000.

Mr. Wilson presented the following to Council and Council discussed raising taxes, possibly 3.5 cents. Council discussed the 30-year fixed loan with a dedicated increase with a sunset clause.

ESTIMATED FINANCING OF POLICE DEPARTMENT

ESTIMATED TOTAL FINANCING	\$10,000,000
Current EDA Line of Credit	Variable Monthly Interest Rate @ 3.6%
Annual Interest Only @ 4%	\$400,000
FY2019 BUDGET	
Allocated toward Police Dept Construction	\$242,500
Total Available from Current&Prior Year	\$406,861.86

ESTIMATED 30 YEAR VRA POOLED BOND PROGRAM 4.025%

Annual payment for 30 Years	\$580,057.67
Total Interest Expense	\$7,401,730.18
Addl Annual Budget Allocation Needed	\$337,557.67

ESTIMATED 20 YEAR FIXED RATE LOAN 3.916%

Annual Payment for 20 Years	\$730,654.81
Total Interest	\$4,607,096.10
Addl Annual Budget Allocation Needed	\$487,854.81

PRESENT: Mayor Tharpe, Vice Mayor Tewalt, Councilman Gillispie, Councilman Holloway, Councilman Meza, Councilman Thompson, Councilman Sealock, Town Manager Waltz, Town Attorney Napier, Clerk of Council Berry, Director of Planning Camp, Director of Finance Wilson, Director of Energy Services Jenkins, Police Chief Magalis, Interim Director of Environmental Services Boyer, IT Director Jones, members of the public and members of the press.