

COUNCIL MEETING MINUTES

June 10, 2019

The regular meeting of the Town Council of the Town of Front Royal, Virginia was held on June 10, 2019, in the Warren County Government Center's Board Meeting Room. Mayor Tederick asked Chase Gillispie to lead Council and those attending in the Pledge of Allegiance to the flag. Mayor Tederick held a Moment of Silence and the roll was called at 7:00 p.m.

PRESENT: Mayor Matthew A. Tederick
Councilman Gary L. Gillispie
Councilman Chris W. Holloway
Councilman Jacob L. Meza
Vice Mayor William A. Sealock
Councilman Eugene R. Tewalt
Councilman Letasha T. Thompson
Asst. Town Attorney George M. Sonnett
Town Manager Joseph E. Waltz
Clerk of Council Jennifer E. Berry, CMC

ABSENT: Town Attorney Douglas W. Napier

(The above listed members represent the full body of Council as authorized in the Town Charter.)

Councilman Gillispie moved, seconded by Councilman Holloway that Council approve the Regular Council Meeting minutes of May 28, 2019 as presented.

Vote: Yes – Gillispie, Holloway, Meza, Sealock, Tewalt and Thompson

No – N/A

Abstain – N/A

Absent – N/A

(Mayor Tederick did not vote as there was no tie to require his vote)

RECEIPT OF PETITIONS OR CORRESPONDENCE FROM THE PUBLIC

There were no receipts of petitions or correspondence from the public.

Chief Magalis presented Orion Perry with special recognition designating him as an Honorary Police Officer of the Town of Front Royal. The officers presented Officer Perry with a Town badge and a plaque and noted how proud they were on his hard work fighting leukemia. Mayor Tederick remarked that Orion was what the spirit of our community was all about, and he thanked Orion, his family, and his friend and teacher, Mrs. Werner, for their support to Orion.

Town Manager, Mr. Waltz, noted that road work was taking place on N. Shenandoah Avenue and W. 14th Street. He stated that traffic patterns would change along those areas and he asked the citizenry to pay attention to the workers as they processed the various lane closures. Mr. Waltz stated that there would also be a water main repair on Main Street June 13-14 with lane closures during the day and night.

Employee, Albert Bell, was recognized by David Jenkins, for his work the last four years as he worked diligently during his enrollment in Electrical Lineman College and hands-on teaching during the rigorous program. Mr. Jenkins thanked Mr. Bell for his efforts and presented a certificate congratulating him on his work thus far, noting that he was an asset to the Town.

Mayor Tederick noted that the Town is strong because of the workers we have and he congratulated Mr. Bell on his contributions and hard work.

County Administrator, Doug Stanley, presented the following report to Council:

Development Review Committee – The Development Review Committee met on May 22, 2019.

The Committee discussed projects in the County including:

- Conditional use permits for five short-term tourist rentals located throughout the County.
- Rivermont Fire Station. Plan review for the building is ongoing. The project has E&S and DEQ approvals.
- The building permit for the cell tower on Happy Creek Road – waiting for VDOT approval.
- Valvoline has opened with a temporary occupancy permit. They are still completing their lighting and landscaping.
- A potential pet store in the former Sweet Frog space at Riverton Commons.

The Committee also discussed Town projects including:

- A proposed Harbor Freight.
- Dunkin Donuts is now open.
- A dog training facility on 11th Street has been approved.
- A proposed cross-fit gym on Jackson Street has been approved for interior demolition of the existing space.
- The new hospital has received a building permit for the foundation.
- A salon in the former Vintage Swank location on Main Street.

The Committee will meet again on June 26, 2019.

Reassessment – The Warren County Board of Equalization will finalize its appeals process by the end of June. If any person assessed with local taxes is still aggrieved by any such assessment and missed previously held hearings by the Board of Assessors and the Board of Equalization, they may, within three (3) years from the last day of the tax year for which any such assessments are made, apply for relief to the Circuit Court of Warren County.

First Half 2019 Taxes – The due date for payment of the first half of 2019 taxes has been extended until June 21, 2019.

Tourism Committee – The Joint Tourism Committee met on April 10th and discussed the wayfinding signage program. They discussed the schedule for design and implementation, best practices for wayfinding and possible tourist destinations for the signs. They received an update on the planning for the 2019 Wine and Craft Festival and received an update on the new building at Backroom Brewery. The Committee will meet again on June 12th.

EnerGov Software – The Building Inspections Department has established a path forward with utilizing Tyler representatives to complete the custom fields that are needed to be in place so that we can have the final customer facing presence that we have been waiting for. With Tyler's current workload they have begun working on a small scale, but have guaranteed to increase time as soon as possible. At the current work schedule we are looking at a four-month timeframe that should be shortened to three if their workload progress the way that it should. While this is longer than what we had hoped for, it is far less than what we realistically determined it would take if County staff were to attempt the work. The testing of the new fields should be accomplished during this timeframe as well.

While we have waited for this time to arrive we have also been receiving compliments on the workings of the system on a more regular basis from the contractors and citizens.

Project Updates

Rivermont Fire Station – H&W Construction has mobilized for the project and the preconstruction meeting will be held this week. The County will also hold a groundbreaking ceremony this Thursday.

New Hospital – Building Inspections has released the foundation permits for the new hospital and the contractor is making good progress on footers for the new facility.

Crooked Run West - The Board has a work session on the Crooked Run West project this Thursday, June 13th at 6:00 pm.

Lions and Burrell Brooks Parks – Music Park Project – The County received a commitment from Lorraine Hultquist to donate funding to purchase music park components at both parks. The Lions Park equipment was installed in December. We hope to order and install the equipment at Burrell Brooks Park in summer 2019.

Seide Park – Splash Pad Project – The County is working on a project to replace the outdated fountain at Seide Park adjacent to the Youth Center and Happy Creek with a splash pad. The County has received three grants to help fund the project and the Board awarded a contract at its meeting on June 4th to Seaspray, LLC in the amount of \$94,140. The County will be looking to complete the project this spring/summer.

Health and Human Services Complex – The Registrar's Office moved into their new quarters on April 1st. We are currently working with the contractor to close out any remaining punch list items.

Commercial Projects – Work continues on the following projects:

- Marriott/TownePlace Suites – June 2019 Completion
- Valvoline – Riverton Commons – Completed and Open
- Taco Bell – Riverton Commons – Plans Approved – Preconstruction Report held June 10th and should start construction later this week.

Project	Ad/Bid Date	Cost	Estimated Completion Date	Status
FRWC Airport Obstruction Removal	Summer 2016	\$804,000	Summer 2018	Substantially Complete - Punch List
Rockland Park Athletic Fields	N/A	\$300,000-\$400,000	Spring 2019	Under Construction
Rockland Park Bathhouse Renovation	N/A	\$75,000-\$100,000	Summer 2019	Under Construction
WCSO/WCFR – Radio System Upgrade	N/A	\$1,509,022	Winter 2019	Installation

Mayor Tederick asked Mr. Stanley if perhaps the little things could be focused on throughout the community. He noted that he recently had the privilege of speaking with Town Staff and reiterated that there were troubled times in the community, and he asked Department Heads to encourage their employees to smile more and put more effort into issues around Town. Mayor Tederick asked Mr. Stanley to look into the parking lot on Kendrick Lane that does not look the best, noting that perhaps other County properties where little things could be looked into could be addressed.

Vice Mayor Sealock read a news release into the record regarding a measles exposure near the Fair Oaks/Dulles/Manassas/Haymarket area in early June and asked the community to be aware of symptoms and what action should be taken if they may have been exposed.

Councilman Meza thanked Vice Mayor Sealock for stepping into the Mayor position during the interim time, noting that it is a busy, thankless job. He also thanked Mayor Tederick for accepting the position of Mayor for the remainder of the year. Mr. Holloway expressed his agreement with Mr. Meza.

Steven Schetrom noted that the United Way continues their work in the community, and he thanked the area residents for their continued support. Mayor Tederick announced the special drawing for the United Way: Mr. Ed Daley.

Mayor Tederick presented the following to Council and members of the public:

I. Thank Council

1. To the members of Council who selected me to be your interim Mayor, I want to thank you for trust and confidence you have in me;
2. To Councilman Tewalt and Councilwoman Thompson although you did not vote for me, I harbor zero bitterness towards you. I look forward over the next several months to earning your trust and confidence

II. Role as Mayor

1. Ladies and Gentlemen – we all have an idea of what a Mayor does. What you see this evening is one of the main roles – running this meeting in an efficient and effective manner. By town code, the Mayor, “shall enforce the rules of procedure, preserve order and decorum and appoint all committees. I intend to do just that during my tenure;
2. Now, what you may not know as a role of Mayor. By town code the Mayor approves **all items** to be placed on the agenda for Regular Meetings. What does that mean? The Mayor has **the sole discretion** to determine if an issue is to come before council, that is unless Council unanimously votes to add an item on the agenda which rarely happens. Frankly, I did not know that. I honestly thought one or two councilmembers could just put an item on the agenda. So, what else does this really mean? From my perspective, if an issue is not addressed – it's the Mayor's fault. If issues get delayed, kicked down the road or ignored – it's the Mayor's fault. If only fluff and pageantry come before council to make the Mayor look good – you got it, it's the Mayor's fault. Members of Council and Town Citizens – I want to be crystal clear. My term might expire November 6th but between now and then, we will be addressing problems. We will be addressing issues head-on and solving problems. I know my fellow members on council are eager, willing and desiring to do just that. As for this body, we will be giving clear and unambiguous direction to staff to execute our vision for this community. We will not be kicking the can down the road.
3. In this regard, Mr. Waltz – please place on a future work session an item regarding Code section 4-19, Sub-section D as it relates to the power of the Mayor to solely select items to be placed on the agenda. These Councilmen were duly elected by the citizens of Front Royal – they should not be shackled by the power of the Mayor and beg him or her to have an item put on the agenda. I would like to have this thoroughly discussed and evaluated.

III. Now my agenda for the remainder of my term as Interim Mayor

1. The Afton Inn – as a citizen – I was opposed to the swap of our historic Town Hall for the Afton Inn and I let the council at that time know my feelings about the decision. **Fact** - The EDA owns the property. **Fact** - The EDA promised to finance the project. **Fact** - The project is stopped because there is no financing. **Fact** – the intersection of Main St. and Royal Avenue is one of the most visible and important corners in our town. I feel sorry for the contractor and publicly want to thank them for sticking with us during this challenging time. Members of Council, although we are not directly involved with this project, we must use every influence possible to encourage the EDA to finish what they started. We cannot allow this building to stay as it is for days, months, and possibly years. In my opinion, this is of great importance to our community. Thousands of citizens and guests drive past

this structure **daily** and it's a reminder of **bad decisions** and now, it appears it's a reminder of **a bad actor** – we need to change this image immediately. I intend to work closely with staff, Council and the EDA to come up with a plan of action to make this corner a beautiful and viable asset in our community

2. The historic Town Hall – bottom line, the same goes for this building. I am not going to sit idly by and watch this truly historic structure deteriorate before our very eyes and end up looking like the Afton Inn. I intend to work closely with Council to come up with a plan for that as well.
3. Town Budget – As interim Mayor I will begin the process. I have suggested to the Town Manager that we move up the budget planning process to August, instead of a later start of October because I think it's imperative, we provide staff with a clear vision of Council's budgetary intentions as early as possible. Secondly, I have requested a work session for a class on the Town Audit so that we can get a thorough understanding of what's in it, what it means, and how we can utilize it to sharpen our pencils during the budget process
4. Lastly, the elephant in the room - **The EDA scandal** – I would like to publicly commend and thank the Town Finance Director, BJ Wilson and Councilman Bill Sealock for identifying irregularities in town finances as it related to the EDA. I also would like to thank members of Council for your desire to standup for the town citizens and allow the town attorney to seek more information via a FOIA request to the EDA to garner just how much money is owed to our citizens. Regrettably, your requests have been consistently rebuffed. Sadly, months have passed and this council has not been allowed to take any action on this matter. It is my opinion and I believe it's your opinion, the town citizens are owed a lot money...**it's time to get our money back**. You will see on your agenda tonight an Executive Session as it relates to the EDA matter. Some in this community may think we should never go into Executive Session – I will respectfully disagree. State Code specifically allows for reasons by which elected bodies may go into Executive Session – and the discussion of legal matters is one such reason and a good reason. Our job is to protect the interests of this community. Look, have any of you ever been involved in a legal dispute and gone to court?.... Did you invite opposing legal counsel into your discussions with your attorney? Did you lay out your plan as to how you're going to win in front of opposing counsel? Of course you didn't...and I'm not either. We need to be able to do our job and consider all legal tools available to us and have those discussions in private so that nothing gets disclosed in advance of a possible legal action. After our private discussions in Executive Session – we come out, a motion may or may not take place. If a motion is made, then there is debate and discussion on the matter, and ultimately some kind of vote - **all in public**. I would encourage the press to stick around tonight to see if any action is taken after our Executive Session

IV. In Closing

1. Right now, in my opinion my greatest responsibility to this community is to do my part to heal the wounds created by the EDA scandal and to do everything humanly possible to once again unify this community.
 - i. This community is reeling from the scandal facing the EDA and the alleged embezzlement and fraud perpetrated by Jennifer McDonald and the perceived lack of financial oversight by the EDA, the Board of Supervisors and the County Administrator.

- ii. Friday a gentleman with the first name of Collin was one person who shared something profound with a group of people, he said, "How would we heal a relationship with another person?" He's right...our government institutions need to heal the relationship with our citizens.
 - a) The first step is in my opinion is for our government institutions to accept responsibility for the lack of proper financial oversight. The town government has not funded the EDA in nearly 10 years. However, in the past the town government has utilized the EDA financing and bonding abilities. I believe our town government was duped, just like the EDA and Board of Supervisors. It appears from press articles that our staff and council was lied to on multiple occasions. Yes, thanks to Mr. Sealock and Mr. Wilson we realized we were duped sooner than perhaps others, but none the less, it appears we got duped. Mr. Waltz, I am going to request Council approve for the next Town and County Liaison Agenda **a discussion item regarding the dissolution of the EDA**. We need to have this serious and tough conversation. We need to get back to basics in this community and re-focus our attention on what the true roles of government truly are. Perhaps, it's time for our governments to consider bring the marketing functions of the EDA in-house to whatever degree we should and can.
 - b) Second, to move through the reconciliation process with our citizens, government institutions need to apologize and ask forgiveness for our failings which means that our institutions must first identify our failings. Mr. Waltz, I am going to request Council approve for the next Town and County Liaison Agenda – The appointment of a Citizen Commission to evaluate the EDA, the Board of Supervisors and the Town Council to determine what went wrong and what went right.
 - c) And third, it's my opinion, the unbiased report of a citizen commission will help all of us learn from our mistakes and put proper safeguards in place so that this never happens to our community again. I would ask the EDA and Board of Supervisors to keep an open mind and earnestly consider my intentions and words. Look, here's the foundation of my comments:
 - iii. People are hurting...and the hurt is real...my friend, a public servant of 37 years, took his life two weeks ago...I am hurting...his friends and family are hurting. People are angry...I am angry...we have a right to be angry...we have a right to heard...we – all government institutions -- need to listen...we need to learn so that the mistakes by a few, do not ever repeat themselves.
2. The citizens' trust in our government institutions is shattered. It's going to take time to restore this trust and rebuild the unity of our great community. It's going to take time to obtain justice. It's going to take time to change the image of this community... This I know, these members sitting up here this evening, the town staff are good people..., no – **they are great public servants**. I promise you; we will work tirelessly to restore our image and lift this community out of the darkness it's currently in. **I refuse to let the EDA**

scandal define this community...I personally refuse. Segregation battles of the past, did not define our community...the unsolved death of a local police officer, did not define our community...the shutting down of Avtex, creating one of the largest superfunds sites in our nation and double digit unemployment...did not define our community...and now, possibly the largest embezzlement scandal in the history of the Commonwealth of Virginia – friends..., this **WILL NOT DEFINE OUR COMMUNITY.**

3. Let me share with you what I believe defines our community – **LOVE and SERVICE TO OTHERS.** Yes, love and service defines our community. In the last 72 hours alone – I attended a wonderful citizen meeting sponsored by Beth Waller- there was no agenda other than citizens getting together to figure out how to be light in the darkness. Saturday morning, I visited the new Police Department and saw the smiles on the faces...no the pride on the faces of our men and women in blue as they shared their workspace with over 450 citizens from our community – what a wonderful experience. Saturday afternoon, I had the privilege of listening to the Skyline Chimers a group of men and women, boys and girls who with the help of countless volunteers shared their love of music with us. This music therapy group was founded by Gary Gillispie's wife Allyson...and to top off my 72 hours in Front Royal, I read the story of Orion Perry and a second-grade teacher, Rita Werner, who saw an opportunity to make a little boy a superhero.
 4. As if God himself had given me a roadmap as to how to do my part in healing this community, it was right before my eyes...the last 72 hours showed me the love, commitment and selfless sacrifice and service of the people of this great community.
 5. We have hundreds of Rita Werners and hundreds of Allyson Gillispies in our community...hundreds who follow the guidance of 1st Peter 4, 8-11
 - 8 Above all, love each other deeply, because love covers over a multitude of sins. 9 Offer hospitality to one another without grumbling. 10 Each of you should use whatever gift you have received to serve others, as faithful stewards of God's grace in its various forms. 11 If anyone speaks, they should do so as one who speaks the very words of God. If anyone serves, they should do so with the strength God provides, so that in all things God may be praised through Jesus Christ.
 6. The best way for us to heal is to focus on serving and loving others – **Do something bigger than yourself**...mow your neighbor's grass, paint your neighbor's fence, cook a meal for your sick friend...call Joe Waltz how you can volunteer for our town government. Find someone to help...use your gifts to serve others.
 7. In time we will have our justice. We will identify and fix whatever oversight errors has taken place. But just as confident as I am that we will fix this mess, this too shall pass and we as a community will come out stronger because of it...Thank you.
- V. And finally, in conclusion – my next report won't be that long.

Mayor Tederick asked if there were any proposals for additions or deletions to the agenda.

CONSENT AGENDA ITEMS - none

**COUNCIL APPROVAL – Ordinance to Amend Town Code Section 158-6
Pertaining to Adoption by Reference of State Motor Vehicular Laws (2nd Reading)**

Summary: Council is requested to adopt on its second and final reading an ordinance to amend Town Code Section 158-6 pertaining to Adoption by Reference of State Motor Vehicular Laws, as presented. The Town must re-adopt Section 158-6 of the Town Code, which legally allows the Town to incorporate all the changes to the State Code traffic laws that have been made during the year.

Councilman Gillispie moved, seconded by Councilman Thompson, that Council adopt on its second and final reading an ordinance to amend Town Code Section 158-6 pertaining to Adoption by Reference of State Motor Vehicular Laws, as presented.

Vote: Yes – Gillispie, Holloway, Meza, Sealock, Tewalt and Thompson

No – N/A

Abstain – N/A

Absent – N/A

(Mayor Tederick did not vote as there was no tie to require his vote)

(By Roll Call)

**AN ORDINANCE TO AMEND SECTION
158-6 OF THE FRONT ROYAL TOWN CODE
PERTAINING TO ADOPTION BY REFERENCE
OF THE STATE MOTOR VEHICULAR LAWS**

BE IT ENACTED by the Town Council of the Town of Front Royal, Virginia, that Section 158-6 of the Front Royal Town Code is hereby amended and enacted as follows: Pursuant to the authority of Section 46.2-1313, Code of Virginia, 1950, as amended, all of the provisions and requirements of the laws of the State as of **July 1, 2019**, contained in Title 46.2, Code of Virginia, 1950, as amended, and Article 2 of Chapter 7 of Title 18.2, Code of Virginia, 1950, as amended, except those provisions and requirements the violation of which constitutes a felony and except those provisions and requirements which, by their very nature, can have no application to or within the Town, are adopted and incorporated by reference and made applicable within the Town.

References to "highways of the state" contained in such provisions and requirements hereby adopted shall be deemed to refer to the highways and other public ways within the Town. Such provisions and requirements are hereby adopted, mutatis mutandis, and made part of this chapter as fully as those set forth at length herein; and it shall be unlawful for any person within the Town to violate or fail, neglect or refuse to comply with any provision of Title 46.2, Code of Virginia, and Article 2 of Chapter 7 of Title 18.2, Code of Virginia, which is adopted by this section, provided that in no event shall the penalty imposed for the violation of any provision or requirement adopted exceed the penalty imposed for a similar offense under Title 46.2, Code of Virginia, and Article 2 of Chapter 7 of Title 18.2, Code of Virginia.

For purposes of § 4-4 (E) of the Town Code, this Ordinance is deemed routine, and is effective on **July 1, 2019**.

COUNCIL APPROVAL – Write off for Bad Debt for 2nd Quarter of 2019

Summary: Council is requested to approve the removal of five (5) years or older of outstanding accounts receivable (bad debt) on the Town's ledger for the second quarter of 2019 totaling \$27,755.98 which is comprised of 59 utility accounts. All possible recourse of attempting to collect these amounts has been completed and the accounts have no activity for at least five (5) years. The amount of \$27,755.98 represents approximately 0.09% of the budgeted sales.

Councilman Meza moved, seconded by Vice Mayor Sealock, that Council approve the removal of five (5) years or older of outstanding accounts receivable (bad debt) on the Town's ledger for the second quarter of 2019 totaling \$27,755.98 as presented.

Vote: Yes – Gillispie, Holloway, Meza, Sealock, Tewalt and Thompson

No – N/A

Abstain – N/A

Absent – N/A

(Mayor Tederick did not vote as there was no tie to require his vote)

(By Roll Call)

CLOSED MEETING – Consultation w/ Legal Counsel & Investment of Public Funds**Motion to Go into Closed Meeting**

Councilman Meza moved, seconded by Councilman Gillispie, that Council convene and go into Closed Meeting for the following purposes: (1) consultation with legal counsel employed or retained by a public body regarding specific legal matters, specifically, (a) legal mechanisms regarding recovering moneys owed the Town by the EDA, and, (b) reviewing compliance with the terms of Town Hall/ Afton Inn Land Exchange Agreement, requiring the provision of legal advice by such counsel, pursuant to Section 2.2-3711. A. 8. of the Code of Virginia; AND (2) discussion or consideration of the investment of public funds toward the Afton Inn, where competition or bargaining is involved, and where, if made public initially, the financial interest of the governmental unit would be adversely affected, pursuant to Section 2.2-3711. A. 6. of the Code of Virginia.

Vote: Yes – Gillispie, Holloway, Meza, Sealock, Tewalt and Thompson

No – N/A

Abstain – N/A

Absent – N/A

(Mayor Tederick did not vote as there was no tie to require his vote)

Motion to Certify Closed Meeting at its Conclusion

Councilman Meza moved, seconded by Councilman Holloway, 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 Action 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, Tederick, Tewalt and Thompson
No – N/A
Abstain – N/A
Absent – N/A

(By Roll Call)

EDA - Lawsuit

Councilman Gillispie moved, seconded by Councilman Holloway, that Town Council authorize the Town Attorney's office to file suit, to include all related causes of action, against the Industrial Development Authority of the Town of Front Royal and the County of Warren, Virginia, also known as the Warren County Economic Development Authority ("EDA"), and any other necessary parties, to recover all moneys owed or will be owed the Town of Front Royal, Virginia, a municipal corporation (the "Town"), by the EDA.

He further moved that Town Council authorize the Town Attorney's office take all lawful and appropriate steps and actions to carry out said lawsuit, and report back to Town Council from time to time the steps and actions that have been taken to effectuate said lawsuit.

As grounds for this Motion, the Town, through the Town Attorney's office and through the Town's Director of Finance, has attempted to learn from the EDA of the amount of moneys the Town is owed by the EDA for over a year. The Town has filed multiple Freedom of Information Act requests with the attorney for the EDA and with two different former Executive Directors of the EDA, which requests have not been completely honored by the EDA. EDA officials on multiple occasions have stated, orally and in writing, that the EDA would furnish to the Town a copy of the EDA's historical study of the finances of the EDA back to at least the year 2014, which EDA officials referred to both publicly referred to and referred to the Town as a "forensic audit", yet currently EDA officials not only refuse, in writing, to furnish this "forensic audit" to the Town, but based on publicly reported accounts of court proceedings, the EDA has now represented to a court of law that no "forensic audit" exists and has never existed, just some sort of other "historical study of the EDA's finances".

As further grounds, it has always been the understanding of Town Council that one of the major purposes for the EDA's "forensic audit", which I shall now call "EDA Historical Financial Study" or the "Study" is to give an in-depth and accurate picture of the financial standing of the EDA with respect to the Town of Front Royal ("the Town") and the County for a certain time period and as to project funding that the EDA has been arranging and handling for the Town and the County.

Further, as has been widely publicly reported, the EDA owes the Town, and very likely the County of Warren, considerable sums of public moneys from various project funding that the EDA has been arranging and handling for the Town and County.

Further, Town Council and Town taxpayers have committed themselves financially for large sums of money in good faith, relying on the EDA to help Town Council and Town taxpayers finance, to include but not limited to, the new Front Royal Police Department headquarters, West Main Street Extended (to access the EDA's own project, ITFederal), and Leach Run Parkway.

Further in support of this Motion, the EDA has been acting as the financial and legal agent for the Town in the financing of all these projects. As that agent, the EDA has been and is in a fiduciary relationship with the Town in all these projects. Regardless of who commissioned the EDA Historical Financial Study, and regardless of who pays for the Study, the EDA is the agent of and fiduciary for the Town, who is the beneficiary of these fiduciary relationships. The attorney for this fiduciary, the EDA, in advising and representing and continuing to advise and represent the EDA in these matters with the Town, likewise bears a fiduciary relationship to the Town in all these financial matters, including in the Study. In addition, Town taxpayers are also County taxpayers, and therefore are already paying for the Study to exactly the same extent as all other County taxpayers. Town Council and its officials and agents have the right and the duty, as a matter of law and of fact, to see the entire Study, to determine its scope, contents, and conclusions, to determine if all the Town's taxpayers' moneys are fully accounted for and will be promptly returned in their entirety to the Town by the EDA. The Town is a

sovereign government, and its taxpayers have a right to not have their taxpayers' money wasted through potential statute of limitations losses occasioned by the dilatory acts or inactions of the EDA. As a sovereign government, the Town and its taxpayers have a right and duty to recover their tax money from the EDA which the EDA has held and continues to hold in a constructive trust for the Town and its taxpayers.

Mayor Tederick clarified the notation regarding the correction in the motion on the second page, re: "committed themselves for large sums of money," and Mr. Gillispie noted his approval of the inclusion in the motion as noted above.

Vote: Yes – Gillispie, Holloway, Meza, Sealock, Tewalt and Thompson

No – N/A

Abstain – N/A

Absent – N/A

(Mayor Tederick did not vote as there was no tie to require his vote)

(By Roll Call)

There being no further business, the Mayor declared the meeting adjourned at 8:37 p.m.

APPROVED:

Jennifer E. Berry
Clerk of Council



TOWN COUNCIL WORK SESSION
Monday, June 10, 2019
Immediately Following the Regular Meeting

1. A Resolution/Ordinance Authorizing Prairie State Replacement Power Schedule with American Municipal Power (AMP) – Director of Energy Services

REMOVED from the agenda

2. Rescind Special Use Permit for Workforce Housing – Councilman Tewalt

*****October 24, 2016 Council Meeting*****

PUBLIC HEARING – Special Use Permit Application – Royal Lane Apts (1st R)

Summary: Council is requested to affirm on its first reading a Special Use Permit Application submitted by Pennoni Associates, Inc. for a project proposed by the Economic Development Authority (EDA), for the development of three (3) 12-unit apartment buildings, consisting of a total of 36 apartment units, at the end of Royal Lane. The apartments are intended to be used for workforce housing in the community. The application includes a Special Exception Request to authorize the extension of Royal Lane beyond 800 feet, as may be authorized by Town Council in accordance with Town Code 148-211. The request also includes acceptance of a portion of right-of-way for Royal Lane as well as acceptance of a right-of-way reservation to allow for the possible future extension of Royal Lane. The Planning Commission approved the application with nine recommended conditions.

Council Discussion: Mr. Tewalt noted that the Council was not given truthful information and the land has been sold. Mayor Tederick asked about the next step in order to find out how to proceed. Mr. Tewalt noted that the steps in the process should be looked into to establish that all procedures on the project should be looked into to see if the contractor would be following the steps that were laid out in the special use permit. Mayor Tederick stated that it appears that the matter was not represented accurately.

Mr. Tewalt noted that if the special use permit would be transferred to the new owner than the Town should look to ensure that all measures are put into place. Mr. Camp noted that they have an approved site plan and construction could begin at any time. Mr. Sealock stated that he resents the word rescind because the project was not a lie. He added that there are many teachers are leaving the community because they are moving for better opportunities.

Councilman Gillispie asked if there were a deviation of more than 36 units, than they would have to return to Council; Mr. Camp noted that was correct.

Mayor Tederick directed Mr. Waltz and Mr. Sonnett to work with Mr. Camp to fact find on the project and report back to Council.