

The regular meeting of the Town Council of the Town of Front Royal, Virginia was held on April 27, 2020, via WebEx. Public comments were received via email by Clerk of Council Tina L. Presley by 4:00pm on Monday, April 27, 2020. All comments received were forwarded to Town Council before the meeting.

ROLL CALL for MAYOR/TOWN COUNCIL

PRESENT (via WebEx): Mayor Eugene R. Tewalt
Vice Mayor William A. Sealock
Councilman Lori A. Cockrell
Councilman Chris W. Holloway
Councilman Gary L. Gillispie
Councilman Jacob L. Meza
Councilman Letasha T. Thompson
Town Attorney Douglas W. Napier
Interim Town Manager Matthew A. Tederick
Clerk of Council Tina L. Presley

(The above represent municipal officers of the Town of Front Royal as stated in Town Charter Section 4)

APPROVAL OF MINUTES

Councilman Holloway moved, seconded by Councilman Meza to approve Work Session Minutes of April 9, 2020 and Regular Council Meeting Minutes of April 13, 2020, as presented

Vote: Yes – Councilmen Sealock, Cockrell, Gillispie, Holloway, Meza and Thompson

No – N/A

Abstain – N/A

Absent – N/A

ROLL CALL

REPORTS

a. Report of special committees or Town Officials and Interim Town Manager

Interim Town Manager Tederick advised Council that all Town operation were up and running at 100%. He gave a “shout out” to Axalta Coating Systems here in Front Royal for donating 250 gallons of hand sanitizer to the County of Warren with the Town receiving 100 gallons.

b. Requests and inquiries of Council members.

Councilman Sealock advised that Bakertilly (search firm for the next Town Manager) advised Council that they have received 35 applications with a possibility of 40 by the end of the week. He gave a timeline of first and second round interviews, weekly updates and a possible 90-day turn around from the beginning of the process which would be June 1, 2020.

c. Report of the Mayor

Mayor Tewalt thanked the citizens for following the Governor’s order.

d. Proposals for addition/deletion of items to the Agenda – N/A

CONSENT AGENDA ITEMS – NONE

Mayor Initial 

PUBLIC HEARING – An Ordinance Amendment to Chapter 160 Pertaining to Licensing Vehicles, particularly the display of vehicle decals/stickers (1st Reading)

Mayor Tewalt opened the public hearing. There were no comments received by the Clerk for this item and Mr. Tewalt closed the public hearing.

Councilman Holloway moved seconded by Councilman Meza that Council affirm on its first reading an ordinance amendment to Chapter 160 to remove the requirement for Town vehicle decals/stickers to be displayed on vehicles, but allow the decal/sticker to be provided upon request, as presented.

There were not comments from Council.

Vote: Yes – Councilmen Sealock, Cockrell, Gillispie, Holloway, Meza and Thompson

No – N/A

Abstain – N/A

Absent – N/A

ROLL CALL

PUBLIC HEARING – An Ordinance Amendment to Chapter 134 pertaining to new state requirements issued by the Department of Environmental Quality (DEQ) (1st Reading)

Mayor Tewalt opened the public hearing. There were no comments received by the Clerk for this item and Mr. Tewalt closed the public hearing.

Councilman Gillispie moved seconded by Councilman Holloway that Council affirm on its first reading an ordinance amendment to Chapter 134 pertaining to new state requirements issued by the Department of Environmental Quality (DEQ) and pertaining to more stringent standards for sewer and procurement of waste, as presented.

There were not comments from Council.

Vote: Yes – Councilmen Sealock, Cockrell, Gillispie, Holloway, Meza and Thompson

No – N/A

Abstain – N/A

Absent – N/A

ROLL CALL

PUBLIC HEARING – An Ordinance Amendment to Chapter 85 Pertaining to the removal of a recycling collection fee (1st Reading)

Mayor Tewalt opened the public hearing. There were no comments received by the Clerk for this item and Mr. Tewalt closed the public hearing.

Councilman Cockrell moved seconded by Councilman that Council affirm on its first reading an ordinance amendment to Chapter 85 to remove a recycling collection fee of \$10.00 and changing the name "Environmental Services" to "Public Works" throughout the Chapter, as presented.

Councilman Cockrell questioned who enforces the violations that may occur if citizens did not comply. Town Attorney Napier and Public Works Director advised Council of the procedures to notify citizens of their violations. Councilman Holloway confirmed that trash must be set out at curbside by 7:00am.

Mayor Initial 

Vote: Yes – Councilmen Sealock, Cockrell, Gillispie, Holloway, Meza and Thompson

No – N/A

Abstain – N/A

Absent – N/A

ROLL CALL

PUBLIC HEARING – To consider an amendment to the FY2020 Budget in the amount of \$1,313,000, for engineering design services related to the Rt 522 N. Corridor Redundant Water Line Project. Clerk of Council Presley read the summary for the record:

Council is requested to approve a Budget Amendment in the amount of \$1,313,000 to utilize funds from the Water Fund Balance Reserves and to approve the award of \$1,313,000 to CHA Consulting for Engineering Design Services, Construction Contract Administration, and Project Closeout/Operation and Maintenance Manuals for the Route 522 North Corridor Redundant Waterline Project. This budget amendment and award will allow for engineering services for the project. The Town will procure services for a Clerk of the Works separately for this project.

Mayor Tewalt opened the public hearing. There were five comments received by the Clerk for this item. Clerk of Council Presley read the comments into the record.

PUBLIC HEARING CONCERNS FOR APRIL 27, 2020 MEETING

#8 Redundant Water Line

Linda Allen, 15 Massie Street

1) Get engineering drawings done for the redundant waterline to 522N and Dominion Power by making an amendment to the 2020 budget; cost \$1,313,000 coming from the Water Treatment Plant, professional services budget line. 9601-3510110 Appropriated Funds

I object to this amendment of the budget by asking that Town Council consider both the timing or framework of covid-19 expenses and other high demand needs being considered by Council at this time.

The second objection to this request to fund engineering drawings is based upon the cost of the project itself having gone from \$5.5 million dollars originally to about \$12.5 million dollars now. Obviously previous Councils put off doing the work involved with the redundant waterline which increased the cost significantly.

The third concern is that instead of having engineering drawings done now, I would ask that the Council look at its list of projects, prioritize them, review the budget carefully knowing that we will have reduced revenue in 2021 and quite likely in the following few years. It would be prudent to schedule the projects according to the priority listing and as the financial situation improves to the point where we can afford to do each project or add in more projects.

Fourth there has been a failure to plan for this project, as follows:

Once the priority listing is completed, the new Town Manager should attempt to re-negotiate the cost of the waterline with Dominion and seek advice about funding sources that would lower the cost to the town itself. Perhaps, too, the staff and Council can find some expert help from its past consultants for this project—such questions as the age of the current pipeline, the lifespan of the materiel, the conditions under which it exists are all important to know before making a decision about the redundant line. Equally important, different scenarios with possible breaks for length of time to repair, projected costs, what companies do the repairs. In effect, the matter has not been completely studied at any time beyond a few proponents of the project and many more who object to the project. The town has never given any indication that it would know what to do or how to do were there a break. If the Council is so concerned that it has a member who loses sleep over this project, wouldn't you think that it would want a knowledge base to guide its decisions whenever and if ever a break occurs.

Kenneth Dameron

Please vote to table the proposal to award a \$1,313,000 contract for engineering services to CHA Consulting. Be aware that going forward with this contract is but a pre-cursor to approving the remainder of what is projected to be an \$11,800,000 project to run a redundant water and sewer line to the so-called 522 Corridor, albeit with Dominion Energy having pledged to pay \$3,500,000.

We (the Town citizens) are NOT, to my knowledge, contractually obligated to do that project. Way back in 2011, Dominion, through its subsidiary, VEPCO, acknowledged that it would be desirable to have such a back-up for their

Mayor Initial 

critical water needs and offered to pay 75% of the cost thereof, to a maximum of \$3,500,000. That would imply that the total cost would have been \$4,666,667, but the projected cost now is something on the order of \$11,800,000. In that same agreement with Dominion, it was agreed that breakages might occur and that Dominion would hold the Town harmless in such event.

I urge the Council to table the going forward with the contract to CHA Consulting, which, coincidentally wrote the proposed Time and Materials contract, which would almost certainly make the hiring of a Clerk of the Works to monitor same.

Perhaps this issue could be re-visited after the effects of the COVID-19 matter become clearer.

Bruce Rappaport, 300 E Main Street

This is not the time to move forward with these projects as the town does not have the revenue to cover these expenses as so eloquently stated by your finance director. Use some due diligence and heed his advice. There will be a day when we can address these issues in a transparent open public hearing in a more normal environment. There isn't any reason to try to ramrod these projects through during these unsettled times.

Between now and then, think about how to raise revenue without robbing from peter to pay paul.

We all know the answer....the chickens will come home to roost.

Elaine Miller

In my opinion, the Town should forget the expense for the water line to the corridor-----the Town should not be spending ANY money unless it is absolutely necessary-----At a time like this, revenues are likely to be much lower than even expected-----Thank You

Anne Earle, 400 Grand Ave

I just read with dismay the proposal before the Town Council to spend \$1.3 million for an engineering contract to build a redundant water line out the Winchester Road corridor. I STRONGLY disapprove of this, and any other expenditures related to this project, especially since the water/sewer infrastructure within the TOWN needs major replacement and help. If Dominion Power wants these redundant water/sewer lines, then let THEM pay for it in full. It is also my understanding that extending these water/sewer lines may increase the cost of water/sewer to taxpaying residents in the town. Assuming this may be true, it is totally unacceptable!

I live in the "Hoffman Heights" area of town. Daily, we have significantly reduced water pressure, and have had blockages with the sewer lines, which plumbers indicate may not be in the lines on our property (implying there are issues with the town's portion of the sewer lines). My parents also lived in this area from 1981-2002, and even back then, they had significant issues with low water pressure and sewer back-ups. Sherwood Ave., Oak St. and other areas in this neighborhood have had numerous "patch jobs" because of the old, failing water/sewer lines. The repair issues for water/sewer lines throughout town are an on-going issue. It seems to me it's past time to do a major replacement of the water/sewer lines within the town limits, rather than meet the demands of properties outside of town.

It is still understand how the Town of Front Royal becomes responsible for the water/sewer out at the shopping centers, for Dominion Power and that entire corridor since they are not within the Town.

Please convey to the Town Council my strong disapproval of any further water/sewer connections outside of the defined Town limits.

Thank you!

Mr. Tewalt closed the public hearing.

Councilman Gillispie moved seconded by Councilman Holloway that Council approve a Budget Amendment in the amount of \$1,313,000 to utilize funds from the Water Fund Balance Reserves and to approve the award of \$1,313,000 to CHA Consulting for Engineering Design Services, Construction Contract Administration, and Project Closeout/Operation and Maintenance Manuals for the Route 522 North Corridor Redundant Waterline Project.

Councilman Gillispie noted that he would be voting to move ahead with this item. He explained that this project had been delayed too long and the costs have and will continue to climb. He noted that the line is not only "Dominion Water Line", noting Dominion Energy has agreed to help pay for the redundant water line. Mr. Gillispie reminded the public of the water break that just happened at the Fairgrounds Road and Rt. 522 intersection that left the Rappahannock, Shenandoah, Warren County (RSW) Jail without water for many hours losing their cooking, bathing and sanitary services. He explained that the Town has the ability to isolate water breaks in the Town limits but does

Mayor Initial ET

not in the Rt. 522 Corridor. Mr. Gillispie further explained that the Town could be held liable for any damage done in the Rt 522 corridor businesses because of loss of water.

Councilman Holloway agreed with Councilman Gillispie. He confirmed that putting it off for many years has raised the costs of the project, noting these costs were cheaper when the negotiations with Dominion Energy were finalized. Councilman Holloway agreed that the Town is not contractually obligated, however, we are obligated to provide water and sewer to businesses in the corridor.

Interim Town Manager noted this project was introduced in 2011 and he and Director of Finance Wilson went over the timeline and bond repayment through VRA at 2.85% subject to change.

Councilman Sealock advised he would vote yes on this item. He agreed with what Councilman Meza and Gillispie has said. He cautioned about "kicking the can down the road". He reiterated the liability issue and being sued for loss of water. Councilman Sealock urged this project to move forward.

Councilman Cockrell agreed with the other councilmembers, noting the costs were only going to escalate. She mentioned the letter the Town received from the Superintendent of the RSW Jail. Interim Town Manager Tederick read the letter into the record:

Mr. Matt Tederick Town Manager
P.O. Box 1560
Front Royal, VA 22630 Mr. Tederick,
April 6, 2020

Re: Water Service Interruption

On Thursday, April 2, 2020, at approximately 3:30 PM, RSW Regional Jail experienced a complete interruption to our water service caused by a water main break at the intersection of 340/522 and Fairgrounds Road. The town staff did a fantastic job responding, repairing the break, and restoring service to the building by 8:00 PM. In a very short time period, this interruption in service caused a significant impact on the operation of the facility. RSW has a vacuum waste system instead of gravity flow for our sewage and greywater evacuation. The vacuum waste system requires water at all times, or we run the risk of damage to the costly components of the system, and the system will lose vacuum and cause greywater and sewage to back up in the floor drains and toilets. While we were without water service, the vacuum waste system was shut down to preserve the integrity of the components. Still, it did cause the system to lose vacuum, resulting in backups in the floor drains, toilets, and sinks in the facility. Of course, this happened while we are currently fighting COVID-19.

RSW houses, on average, 400 to 500 inmates plus staff that require water for drinking, washing, toilets, heating, cooling, and food preparation. We do not have, nor is there the ability for us to store enough water to meet our needs. This incident brought to light that without redundancy of the municipal water service to our facility, we run the risk of causing a public health problem and the inability to remain open and operational if a service interruption were to last more than a few hours. We are working to see what options could be designed and put in place to minimize the impact of the vacuum waste system, but this is only a temporary and partial solution to this problem.

I appreciate your time and attention in this matter and felt it was essential to provide this information to you and the Town of Front Royal Board of Supervisors when considering a redundant water service line for this area.

Regards

Russell Gilkison

Mayor Initial



Superintendent, RSW Regional Jail

Councilman Sealock requested that Town Staff to look at water pressure issues as mentioned in the comment letter from Ms. Earle in Hoffman Heights and report back to Council. Mr. Tederick acknowledged this request.

Vote: Yes – Councilmen Sealock, Cockrell, Gillispie, Holloway, and Meza

No – Councilman Thompson

Abstain – N/A

Absent – N/A

ROLL CALL

PUBLIC HEARING – To consider an amendment to the FY2020 Budget in the amount of \$990,674.00 to utilize funds from the Sewer Fund Balance Reserve and to award Sanitary Sewer Closed-Circuit Television (CCTV) investigation for I & I Abatement.

Clerk of Council Presley read the summary for the record:

Council is requested to approve a Budget Amendment in the amount of \$990,674 to utilize funds from the sewer fund balance reserve to award the bid of Sanitary Sewer Closed-Circuit Television (CCTV) to Hydrostructures, LLC for the completion of FR-1,5,6,7 (Phase 1) and FR-3,8,9 (Alternate A: Phase 2). The use of sewer fund balance was incorporated into Stantec's modeling system. Completion of the Phase 1 and 2 complies with the Department of Environmental Quality's (DEQ) Consent Order and moves the Town forward with correcting inflow and infiltration (I & I) abatement.

Mayor Tewalt opened the public hearing. There were no comments received by the Clerk for this item and Mr. Tewalt closed the public hearing.

Councilman Meza moved, seconded by Councilman Holloway that Council approve a Budget Amendment in the amount of \$990,674 to utilize funds from the sewer fund balance reserve and to award the bid of Sanitary Sewer Closed-Circuit Television (CCTV) to Hydrostructures, LLC for the completion of FR-1,5,6,7 (Phase 1) and FR-3,8,9 (Alternate A: Phase 2) that complies with the Department of Environmental Quality's (DEQ) Consent Order and moves the Town forward with correcting inflow and infiltration (I & I) abatement.

Purchasing Manager Alisa Scott explained to Council the bidding response and the qualifier used to determine the award.

Vote: Yes – Councilmen Sealock, Cockrell, Gillispie, Holloway, Meza and Thompson

No – N/A

Abstain – N/A

Absent – N/A

ROLL CALL

COUNCIL APPROVAL – Quarterly Write Off for Bad Debt

Clerk of Council Presley read the summary into the record:

Council approved a revision to the Bad Debt Policy in March 2019 and requested to review and approve write-off of bad debt quarterly. Council is requested to approve the removal of 5 years or older of outstanding accounts receivable (bad debts) on the Town's ledger for the first quarter of 2020 totaling \$19,379.72 which is comprised of 48 utility accounts. All possible recourse of attempting to collect these amounts has been completed and the accounts have no activity for at least 5 years. Staff has determined that the accounts presented meet the criteria for uncollectible as determined by the Town's bad debt write off policy:

- 1) No activity on closed account for at least 5 years
- 2) All other methods of collection have been exhausted

Councilman Gillispie moved, seconded by Councilman Holloway that Council approve the removal of 5 years or older of outstanding accounts receivable (bad debts) on the Town's ledger for the first quarter of 2020 totaling \$19,379.72 which is comprised of 48 utility accounts. All possible recourse of attempting to collect these amounts has been completed and the accounts have no activity for at least 5 years.

Councilman Cockrell questioned whether the Town could have those written off for bad debt pay before having service with the Town again. Finance Director Wilson advised that once they are written off they could not be enforced to pay.

Vote: Yes – Councilmen Sealock, Cockrell, Gillispie, Holloway, Meza and Thompson
 No – N/A
 Abstain – N/A
 Absent – N/A

ROLL CALL

COUNCIL APPROVAL – FY20 Budget Amendment & Transfers for Contingency Funds

Councilman Meza moved seconded by Councilman Cockrell that Council approve a budget amendment and budget transfers for the FY20 Budget to provide contingency funds for potential shortfalls related to the COVID-19 pandemic as follows:

<i>General/Street Fund</i>	<i>\$753,723.07</i>
<i>Water Fund</i>	<i>\$620,866.00</i>
<i>Sewer Fund</i>	<i>\$256,404.46</i>
<i>Solid Waste Fund</i>	<i>\$26,618.70</i>

Vote: Yes – Councilmen Sealock, Cockrell, Gillispie, Holloway, Meza and Thompson
 No – N/A
 Abstain – N/A
 Absent – N/A

ROLL CALL

Mayor Initial 

CLOSED MEETING - Personnel

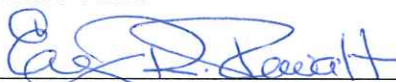
Due to issues related to the on-going pandemic, Councilman Cockrell moved seconded by Councilman Thompson that Town Council move to go into Closed Meeting to discuss the assignment, appointment, promotion, performance, demotion, salaries, disciplining, or resignation of specific public officers, appointees, or employees of any public body, pursuant to Section 2.2-3711. A. 1. of the Code of Virginia.

Councilman Cockrell moved, seconded by Councilman Thompson recognized by each Mayor and 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 the Mayor and Council, and that the vote of each individual member of Mayor and Council be taken by roll call and recorded and included in the minutes of the meeting of Town Council.

Vote: Yes – Mayor Tewalt, Councilmen Sealock, Cockrell, Gillispie, Holloway, Meza and Thompson
No – N/A
Abstain – N/A
Absent – N/A

ROLL CALL

APPROVED:


Eugene R. Tewalt, Mayor

ATTEST:


Tina L. Presley Clerk of Council

Councilman Meza moved, seconded by ^{Councilmen} Sealock approved the Regular Council Meeting minutes of April 27, 2020 on May 11, 2020.

Mayor Initial 

TOWN COUNCIL WORK SESSION MINUTES

Monday, April 27, 2020

via WebEx and following Regular Council Meeting

1. Options for Local Economic Recovery for Individuals and Businesses

Interim Town Manager Tederick went over the DRAFT Business Economic Recovery/Assistance Preliminary Framework

BUSINESS ECONOMIC RECOVERY/ASSISTANCE PRELIMINARY FRAMEWORK

Intent of Program

Provide grant program for financial assistance to businesses demonstrating economic hardship from effects of Governor Northam's Executive Order 53 on March 12, 2020 and Executive Order 55 on March 30, 2020 related to the COVID-19 pandemic. Funds to be used first to pay outstanding Town of Front Royal utility bills, business occupational licensing, and real estate taxes; remaining assistance to be used by applicant for other business expenses.

Administration

The Town of Front Royal will enter into an agreement with a non-profit organization, for example, the Front Royal - Warren County Chamber of Commerce per VA Code Section 15.2- 953. Terms of the agreement will outline process for non-profit to administer a grant program of up to \$1 million for Front Royal business economic recovery/assistance.

The non-profit organization will work in conjunction with the Town of Front Royal Finance Department and a Blue-Ribbon Committee to administer the grant.

Eligibility

1. Business must have a valid Town of Front Royal Business License and been in operation prior to Governor Northam's Executive Order on March 12, 2020.
2. Business must be located within the Town of Front Royal corporate limits.
3. Business must demonstrate economic hardship of at least a 20% reduction in gross revenues, when compared to prior year; . Business in the following sectors directly impacted by Governor Northam's Executive Order 53 are exempt from demonstrating economic hardship:
 - Theaters, performing arts centers, concert venues, museums, & other indoor entertainments centers
 - Fitness centers, gymnasiums, recreation centers, indoor sports facilities, & indoor exercise facilities
 - Beauty salons, barbershops, spas, massage parlors, tanning salons, tattoo shops, and any other location where personal care or personal grooming services are performed that would not allow compliance with social distancing guidelines to remain six feet apart
 - Bowling alleys, fairs, arts and craft facilities, public and private clubs, and all other places of indoor public amusement.
4. A deadline will be set to receive applications.

Tiers of Assistance

2019 Gross Receipts	Amount of Assistance	Additional Assistance for having Town Utility Account or Town Real Estate Taxes	Total Potential Assistance
\$15,080-\$50,000	\$500	\$500	\$1,000
\$50,000.01-\$200,000	\$2,000	\$1,000	\$3,000
\$200,000.01-\$500,000	\$4,000	\$2,000	\$6,000
>\$500,000	\$9,000	\$4,000	\$13,000

Priority for Grant Assistance

1. Priority will be given to those businesses forced to temporarily close on March 12, 2020 as a result of the Governor Northam's Executive Order 53; including:
 - Theaters, performing arts centers, concert venues, museums, & other indoor entertainments centers
 - Fitness centers, gymnasiums, recreation centers, indoor sports facilities, & indoor exercise facilities
 - Beauty salons, barbershops, spas, massage parlors, tanning salons, tattoo shops, and any other location where personal care or personal grooming services are performed that would not allow compliance with social distancing guidelines to remain six feet apart
 - Bowling alleys, fairs, arts and craft facilities, public and private clubs, and all other places of indoor public amusement.
2. Businesses having a Town of Front Royal Utility Account or Real Estate Tax Account will be provided additional funds as illustrated in the third column in the chart above. Additional funds will be sent from the non-profit to the Town of Front Royal and will reference the associated business. In the event all business accounts (utility, real estate tax and business license tax) are not in arrears, the Town will apply and show as a credit balance the funds received by the non-profit towards the business accounts (either utility, real estate tax and business license tax).
3. Preference will be given to businesses that have provided a strategic plan (no more than 2 pages) for conducting business once the Governor eases or lifts restrictions related to the COVID-19 pandemic. For example: how business will be performed upon reopening, such as social distancing, additional options for customer/employee interactions, additional methods of payment to minimize contact; number of employees to be retained; etc.

Outline of Process

- I. Application Process - Possibly submitted online to Non-profit organization
 - A. General Application
 - 1. Personal Name
 - 2. Business Name
 - 3. Address
 - 4. Type of Business
 - 5. Telephone Number
 - 6. Email
 - 7. Number of Employees
 - 8. Statement/signature on document to allow utility account information to be discussed between Town of Front Royal & Non-profit.
 - B. Certified Income Statement/Impact Statement
 - 1. Not required for businesses closed pursuant to Executive Order #53
 - 2. Certified by Accountant/CPA
 - 3. Used to provide proof of economic hardship as described above
 - C. Optional Strategic Plan demonstrating change in operation for COVID-19
- II. Review Process
 - A. Town will verify business license, utility account & real estate tax account.
 - 1. Outstanding balances for utilities, BPOL, and real estate taxes will be paid first
 - 2. Additional Assistance for having Town Utility Account or Town Real Estate Taxes will be credited as pre-payment towards utility account or taxes
 - 3. Any remaining funds will be sent to the applicant.
 - B. Blue Ribbon Committee will review applications and recommend approval of assistance based upon available funds. Funding decisions received within 14 days of submitted application. Grants funded within 14 days of approval.
- III. Non-profit Organization to Issue Payment to Town of Front Royal (if applicable) & Business

All aforementioned provisions are subject to modification(s).

**POTENTIAL DISTRIBUTION OF \$1MILLION TO BUSINESSES FOR
ECONOMIC RECOVER**

Tier	# Businesses	% of Businesses in Tier Based on BPOL	Allocation \$'s	Avg Assistance Per Applicant	# of Businesses Able to be Served by Allocation & Avg Assistance	% of Businesses in Tier Receiv ing Assistanc e
\$15,080- \$50,000	187	25%	\$ 56,100.00	\$ 1,000.00	56	30%
\$50,000- \$200,000	130	17%	\$ 117,000.00	\$ 3,000.00	39	30%
\$200,000- \$500,000	81	11%	\$ 145,800.00	\$ 6,000.00	24	30%
> \$500,000	170	23%	\$ 663,000.00	\$ 13,000.00	51	30%
	568	76%	\$ 981,900.00		170	

Tier - levels of gross sales. \$15,080 represents annual income for minimum wage; thought process is that businesses with gross income of less than \$15,080 could be considered a supplemental business and not necessarily primary income.

of Businesses - Number of Town of Front Royal active 2020 business licenses with gross sales range listed in tier

% of Businesses in Tier Based on BPOL- percentage of businesses for each tier based on total number of 2020 business licenses with gross sales within tier Allocation \$'s - dollar value associated with potential assistance provided to businesses within tier (total based on providing \$1 million for assistance)
Avg Assistance Per Applicant- potential dollar value of assistance provided to each applicant

of Businesses able to be served by allocation & avg. assistance- number of potential businesses that could receive average assistance in tier based on dollar value allocated to tier.

% of Businesses in Tier Receiving Assistance - if the Town were to provide \$1 million, use the average assistance per applicant; the Town would be able to provide assistance to approximately 30% of businesses in each tier.

Councilman Cockrell applauded the effort of Staff; however, she requested that the Town slow down and see what is available at the State and Federal levels. Interim Town Manager advised that they [State and Federal] were providing loans. Councilman Sealock advised that loans were the standard practice for the Economic Development Authority (EDA).

Councilman Sealock noted that one restaurant has closed downtown with possibly two to three others throughout Town. The recovery plan is based on gross receipts with a cap limit of \$1 million.

Councilman Meza congratulated Staff on a job well done and thanked them for their time putting it together. He noted that Councilmen Cockrell and Thompson bring up good points on when to implement. Councilman Thompson agreed to do something sooner than later.

Councilman Sealock reminded Council that majority of Town funds could have a shortfall. He suggested that businesses could apply now and implement in June 2020. Councilman Meza voiced concern if implemented in June 2020, 90 days would have passed already.

Interim Town Manager strongly encouraged Council to give Town Staff direction on whether they want to implement the Plan and if so, how much and how should the general process work.

Interim Town Manager advised Council that this would require a public hearing before implementation due to the amount.

Mayor Tewalt advised Council that the County of Warren was not looking at implementing anything at this time, since they are waiting to see how the Federal Government works toward this goal. Councilman Sealock noted he was not in favor of waiting for the County.

Interim Town Manager questioned whether \$1,000 was really going to help a business grossing \$50,000. Councilman Gillispie voiced his desire to help the businesses and understood their hardship but agreed that what the Town was trying to implement may not help them. Councilman Cockrell agreed that \$1,000 would not pull anyone out of a lack of receipts. She questioned how many businesses were interested in the program and whether it would be supported by the public.

Mayor Tewalt asked for a consensus on whether to hold a public hearing on the Business Economic Recovery/Assistance Program. There was consensus to move forward on the public hearing to hear public input.

Interim Town Manager Tederick advised Council that Staff had prepared an outline for Residential/Utility Economic Recovery/Assistance. Council was not interested in this program and Staff was to focus on the program for the businesses.

Open Discussion: Interim Town Manager Tederick advised Council that the FY21 Budget would be on the next work session to decide whether to advertise the proposed budget as presented or a modified one.

Meeting was adjourned at 9:51pm

Mayor Initial 

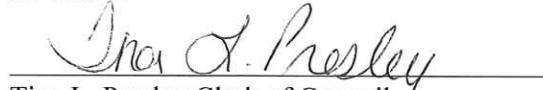
PRESENT: Mayor Tewalt, Councilman Meza, Councilman Thompson, Councilman Gillispie, Councilman Holloway, Vice Mayor Sealock, Councilman Cockrell, Interim Town Manager Tederick, Town Attorney Napier, Clerk of Council Presley, Director of Finance Wilson, Purchasing Manager Alisa Scot, Public Works Direction Boyer and members of Town Staff, the public and the press who were online.

.....

APPROVED:


Eugene R. Tewalt, Mayor

ATTEST:


Tina L. Presley Clerk of Council

Councilman Meza moved, seconded by Councilman Sealock approved the Work Session Meeting minutes of April 27, 2020 on May 11, 2020.

Mayor Initial 