

**Town of Louisa  
Monthly Meeting  
June 15, 2010**

**Present:** James S. Artz, Mayor; Vice-Mayor Mary Jane Clarke; Matthew L. Kersey; A. Daniel Carter; Warren D. Gehle; H. I. Dulaney, Council Members; Jeff Gore, Legal Counsel; Brian W. Marks, Town Manager; Donna L. Pinter, Treasurer; M. Brad Humphrey, Project Manager; Mark McGhee, Acting Chief of Police

**Also Attending:** Kettrina Merkel, Town Receptionist/Administrative Assistant; Shayna Watson, the Central Virginian; Marianne Jarvis, Keystone Builders Resource Group; Mike Quinan, of Christian & Barton LLP; Jeremy Camp, Louisa County Community Development; Rick Funk, Vice President of DBF Associates Architects; J. R. Stallings, Louisa County Resident; Dale Hopkins, town resident, 103 Sims Avenue; Gene Cook, of the Louisa United Methodist Housing Development Corporation; Garland Nuckols, town resident, 110 Patrick Henry Drive.

**Absent:** Jessica M. Ellis, Clerk.

***All copies including: reports, handouts, and documents can be found following the minutes.***

Mayor Artz called the meeting to order at 7:04 p.m.

Council member Kersey gave the invocation.

## **BUSINESS FROM THE FLOOR**

Mr. Mike Quinan, of Christian & Barton, LLP and legal counsel for Keystone Builders Resource Group, stood before Council and addressed concerns with the Draper Aden study. Mr. Quinan requested that Council allow a reasonable opportunity to address the final water and sewer rate study and proposed fees with both the Town Council and its consultants. Mr. Quinan stated that the current fees have prohibited Keystone from moving forward with the Countryside development, and added that the proposed fees for the upcoming year were found to be prohibitive as well. Mr. Quinan went further to state that the newly proposed fees are not supported by the final rate study prepared by Draper Aden. Mr. Quinan reported that Keystone had a consultant review the final rate study, and the consultant informed them that based on the study, the town's connection fees should be significantly lower than \$17,000 to be justified. Mr. Quinan stated that they believe there were missteps in the study which have led to fees that are too high and cannot be supported. Mr. Quinan asked Council for the opportunity to meet and discuss the matter further.

Mr. J. R. Stallings, county resident, stood before Council and expressed concerns related to community and economical development.

## **CONSENT AGENDA**

Mr. Marks requested that the TEFRA hearing, that was to take place at 6:45 p.m., be moved to the Public Hearing section of the agenda as item number two.

Mr. Marks also requested that a discussion of the TEFRA hearing be added to the New Business section of the agenda as item number four.

Council member Kersey made a motion to approve the consent agenda as amended. Council member Carter seconded the motion.

The vote went as follows: Kersey, for; Clarke, for; Gehle, abstain; Dulaney, for; Carter, for.

### **PUBLIC HEARING**

#### **SUP 2010-001 Special Use Permit – Epworth Manor Community Building**

Mr. Marks reported that the public hearing was advertised twice in the Central Virginian, and certified letters were mailed out to all adjoining residents. Mr. Marks reported that he had not received any comments regarding the SUP. Mr. Marks then introduced Mr. Rick Funk to Council.

Mr. Funk, Vice President of DBF Associates Architects and the representative for the Louisa United Methodist Housing Development Corp., stood before Council and stated that they have received approval to renovate all of the buildings at Epworth Manor I. Mr. Funk stated that one of the requirements of the renovation is that an existing 20x20 structure be demolished and the construction of a new community structure be built in its place.

Mayor Artz opened the public hearing at 7:15 p.m. asking if there was anyone present that would like to speak for or against the SUP. Hearing no response, Mayor Artz closed the public hearing at 7:16 p.m.

#### **TEFRA Public Hearing**

Mr. Marks reported that this hearing is to support the issuance of tax exempt bonds for the rehabilitation of Epworth Manor Phase I. Mr. Marks introduced Mr. Gene Cook to Council.

Mr. Cook, of the Louisa United Methodist Housing Development Corporation, stood before Council and stated that the bonds (revenue bonds that are not to exceed \$3,000,000) are issued by the Waynesboro Redevelopment and Housing Authority and are backed by FHA insured mortgage.

Mayor Artz opened the public hearing at 7:18 p.m. asking if there was anyone present that would like to speak for or against the issuance of the tax exempt bonds. Hearing no response, the Mayor closed the public hearing at 7:19 p.m.

### **OLD BUSINESS**

#### **1) Action/Discussion – SUP 2010-001 – Epworth manor Community Building**

Mr. Marks reported that the Planning Commission unanimously voted to recommend approval of the SUP. Mr. Marks also noted that a staff review was included in the packet.

Council member Kersey made the motion to approve SUP 2010-001. Council member Dulaney seconded the motion. The vote went as follows: 5-0 in favor.

#### **2) Resolution – Support of Waynesboro Redevelopment and Housing Authority – Epworth Manor rehabilitation.**

Mr. Marks reported that there is a draft resolution in the packet for Council to review. Mr. Marks stated that Mr. Gore reviewed the draft and found a few things that need to be clarified.

Mr. Gore reported that TEFRA refers to the Tax Equity and Fiscal Responsibility Act the dates back to the Regan era. Mr. Gore stated that there are both federal and state requirements that need to be met. Mr. Gore pointed out the revisions had been made.

Council member Dulaney made the motion to adopt the resolution. Council member Carter seconded the motion. The vote went as follows: 5-0 in favor.

The resolution is as follows:

#### **RESOLUTION OF THE TOWN COUNCIL OF THE**

**TOWN OF LOUISA, VIRGINIA**

WHEREAS, the Waynesboro Redevelopment and Housing Authority (the "Authority"), has considered the application of Louisa United Methodist Housing, L.P., Inc. (the "Company") requesting

the issuance of the Authority's revenue bond in an amount not to exceed \$3,000,000 (the "Bonds") to assist in financing the acquisition, rehabilitation and equipping of the multifamily residential facility for seniors of low and moderate income located in the Town of Louisa, Virginia and known as Epworth Manor (the "Project"), and has held a public hearing regarding the project on April 6, 2010;

WHEREAS, Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), provides that the governmental unit having jurisdiction over the area in which the Project to be financed is located must approve the issuance of the Bond;

WHEREAS, the Town Council of the Town of Louisa, Virginia (the "Council") constitutes the highest elected governmental unit of the Town;

WHEREAS, the Company has requested that the Council approve the issuance of the Bond; and

WHEREAS, a public hearing was held on behalf of the Council and an affidavit of publication of notice of such public hearing has been submitted to the Council and such notice apprised the residents of the Town of Louisa of the public hearing with respect to the Project Bonds, in compliance with all legal requirements, including Section 147(f) of the Internal Revenue Code of 1986, as amended and the public hearing was conducted in a manner which provided a reasonable opportunity for persons with differing views on the Project to be heard.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF LOUISA, VIRGINIA:

1. The Council approves the issuance of the Bonds by the Authority for the benefit of the Company, as required by Section 147(f) of the Code and Section 15.2-4906 of the Code of Virginia of 1950, as amended (the "Virginia Code") to permit the Authority to assist in the financing of the Project.
2. The approval of the issuance of the Bonds does not constitute an endorsement to a prospective purchaser of the Bonds of the creditworthiness of the Project or the Company.
3. This resolution shall take effect immediately upon its adoption.

Adopted by the Town Council of the Town of Louisa, Virginia this 15th day of June, 2010.

**3) Review and Acceptance – Draper Aden water & wastewater rate study**

Mr. Marks referred to the rate study that was prepared by Draper Aden which was passed out at the last budget work session for Council to review. Mr. Marks reported that he has reviewed the study as well, and stated that he did not received any comments from

Council. Mr. Marks stated that at this time, Council could approve and accept the rate study.

Council member Carter made the motion to accept the Draper Aden study. Council member Clarke seconded the motion. The vote went as follows: 5-0 in favor.

#### **4) Report – Reinvestment of Matured Certificates of Deposit**

Mr. Marks reported that at last month's meeting, Council gave him and the Town Treasurer authorization to look for better rates for a CD that had matured. Mr. Marks informed Council that they did not find good rates; therefore, the funds were transferred to the Money Market account while they are pursuing better investment opportunities. Mr. Marks stated that he would report back at the next meeting.

#### **5) Action – Adopt FY 2010-2011 Budget and set fees**

Mr. Marks informed Council that Mr. Gore had drafted a resolution for the adoption of the budget, which is different from what Council is accustomed to seeing, but it is very clean and direct. Mr. Marks stated that the resolution encompasses all aspects of the budget including the rates, fees, taxes, etc.

Council member Clarke made the motion to adopt the resolution. Council member Kersey seconded the motion. The vote went as follows: 5-0 in favor.

The resolution is as follows:

### **TOWN OF LOUISA**

#### **RESOLUTION**

**ESTABLISHING TOWN FEES AND TAX RATES FOR FISCAL YEAR 2010-2011  
APPROVING THE TOWN BUDGET FOR FISCAL YEAR 2010-2011  
AND APPROPRIATING REVENUES  
FOR THE PURPOSES SET FORTH IN THE BUDGET**

Whereas, the Town Manager has presented his budget request and recommendations for FY 2010-2011, and a notice, including a summary of that budget, has been published in the Central Virginian, as required by Va. Code §§ 15.2-2504 and 15.2-2506; and

Whereas, the Town Manager has provided the Council with a proposed budget that delineates the proposed revenues and expenditures in such budget in greater detail than is shown in the published budget summary, and such proposed budget has been available for public inspection since the publication of the budget summary; and

Whereas, the Town Council conducted a public hearing on the proposed budget on May 18, 2010, and seven days have elapsed since that public hearing as also required by Va. Code Section 15.2-2506; and

Whereas, and the Council convened open work sessions to discuss the proposed budget on March 22, May 6, and May 25, 2010;

Whereas, the budget proposes no change in the rates of taxation set forth in the 2009-2010 fiscal year, and there has been no reassessment of real property that would necessitate a separate public hearing on a change in the effective real property tax rate as required by Va. Code § 58.1-3321; and

Whereas, certain utility and service rates, including the schedule for water and sewer service rates and connection fees, are adjusted from the 2009-2010 fiscal year as shown in the published budget summary. Such rate adjustments, being supported by the Town's May 21, 2010 Water and Sewer Rate Study, are consistent with the requirements set forth in Va. Code § 15.2-2119 and 15.2-2143, and other applicable state law, and consistent with the Town's goals of:

- (i) the water and sewer system being self supporting,
- (ii) maintaining reasonable and fair rates that avoid abrupt rate shocks for current and future utility customers, and
- (iii) maintaining and expanding water and sewer operating reserves to provide for contingencies and unplanned expenses.

Now Therefore, Be it Resolved by the Town Council for the Town of Louisa, Virginia that the Town Manager's proposed budget as previously advertised and as summarized in the published budget summary is hereby approved subject to the following conditions:

- a.** Real and personal property tax rates for FY 2010-2011 shall remain at the rates shown in such published budget summary, which are unchanged from FY2009-2010 rates as follows:

Real Property tax rate: \$0.166 per \$100.00 of assessed value  
Personal Property tax rate: \$0.71 per \$100.00 of assessed value.

- b.** The personal property tax relief rate for FY 2010-2011 shall remain at 50% of the assessed value, which is unchanged from FY 2009-2010.
- c.** The meals tax rate for FY 2010-2011 shall remain at 5.5% as shown in such published budget summary, which is unchanged from FY2009-2010 rate.

- d.** Vehicle decal rate for FY 2010-2011 shall remain at \$0.00, as shown in the published budget summary, which is unchanged from the FY2009-2010 rate.
- e.** Hillcrest Cemetery burial space permits and fees for FY 2010-2011 shall remain at the rate shown in the published budget summary, which are unchanged from the FY 2009-2010 rates.
- f.** The utility and service rates, including water and sewer service rates and connection fees for FY 2010-2011 shall be adopted as set forth in the published budget summary.
- g.** All other service fees set forth in the published budget summary, including but limited to commercial solid waste tipping fees, sign permits, rezoning fees, special use permits, trespass notices, and copies of accident reports, shall remain unchanged from the FY 2009-2010 rates, as shown on the published budget summary; and

Be it Further Resolved that all amounts identified as Expenditures in the Town Manager's budget are hereby appropriated for use during FY 2010-2011 for the purposes so identified; and

Be it Further Resolved that such appropriations and expenditures shall be subject to the following conditions:

- h.** Unless otherwise provided by law, or unless otherwise set forth in the budget, all amounts appropriated for purposes listed in proposed budget that have not been expended as of June 30, 2011 shall revert to the unexpended balance of the Town's General Fund.
- i.** Amounts reflected in the published budget summary and delineated in the proposed budget for debt service are appropriated for that purpose, and the Town Treasurer is authorized and directed to transfer funds for such payments in accordance with the terms of applicable bond indentures or other financing agreements.
- j.** The budget of the Town of Louisa Water and Sewer Fund is approved and the amounts delineated in the published budget summary and proposed budget are hereby appropriated for operations, debt service and capital improvements for the water and sewer systems.
- k.** The budget of the Hillcrest Cemetery Fund is approved and the amounts delineated in the published budget summary and proposed budget are hereby appropriated for operations and capital improvements.
- l.** Amounts shown as revenues in the proposed budget are estimates based upon the best information available at this time. If the Town Manger determines that total actual revenues received may be less than the total of budgeted expenditures, he shall take appropriate action to reduce expenditures to the amount available, and shall report such action to the Town Council, which may then take further actions to adjust expenditures and/or revenues.

Approved by the Town Council for the Town of Louisa, Virginia

June 15, 2010

## **6) Permits – Louisa County VFD Annual Fair**

Mr. Marks reported that there are two permits to be reviewed for the Louisa County Volunteer Fire Department. The first is to conduct bingo games at the annual fireman's fair, and the second is for the

annual parade that will be held on Thursday, July 8<sup>th</sup> at 7:00 p.m. Mr. Marks informed Council that Acting Chief McGhee is working with the Louisa Co. Fire Department as well as the Louisa County Sheriff's Department to be sure that there will be adequate coverage for a safe event. Mr. Marks stated that he recommended approval of the two permits. Mr. McGhee also recommended the approval of the permits.

Council member Carter expressed concerns with the parade in regards to how the participants line up along the streets and block driveways making it difficult and sometimes impossible to get in and out. Mr. Carter stated that he feared what would happen if there was an emergency in that part of town because emergency personnel and vehicles would not be able to navigate the area.

Acting Chief McGhee responded by stating that he would talk with Chief Perkins to make sure that driveways were not blocked.

Mr. Marks also addressed Mr. Carter's concern stating that a new route was created for the Christmas parade, but it was cancelled due to the weather; therefore, since they did not know how well that route would have worked, they reverted back to the old route for the fireman's parade.

Council member Kersey made the motion to approve both permits for the Louisa County Volunteer Fireman's Parade and Fair. Council member Gehle seconded the motion. The vote went as follows: 5-0 in favor.

## **NEW BUSINESS**

### **1) Louisa County Community Development – Transportation Plan Status**

Mr. Marks introduced Mr. Jeremy Camp.

Mr. Camp, of Louisa County Community Development, invited the Town Council and the Town Planning Commission to join them for a work session where they will collectively discuss and develop a county wide transportation plan. Mr. Camp stated that the Town of Mineral was also invited to attend the work session. The meeting will be held on July 8<sup>th</sup> at 4:30 p.m.

## **2) Sale of used firearms in accordance with VA Code Section 59.1 – 148.3**

Mr. Marks reported that the Virginia State Code allows municipalities to sell firearms to retiring police officers for one dollar. Mr. Marks included an email in the packet which states that retired Chief of Police, Stan Batten, requests that the town sell him his firearm.

Mayor Artz asked if there was a motion to approve the sale. There was no discussion, nor was a motion made; therefore, Mayor Artz moved to the next item on the agenda.

## **3) Proposed Exotic Pet Ordinance**

Mr. Marks stated that Acting Chief McGhee requested that a draft of an exotic pet ordinance be created for public safety purposes.

Acting Chief McGhee reported to Council that the police department responded to a call at a home last month where they found the resident had approximately 8 or 9 snakes, rats, iguanas, etc. Mr. McGhee informed Council that the home is in an area with small children and elderly people. Mr. McGhee stated that he felt the town should require people to register exotic pets or fill out a permit to own exotic pets to ensure public safety.

Mr. Marks stated that he wanted to get the issue on the table now and maybe come back next month to discuss it further.

## **STANDING COMMITTEE REPORTS**

### **Police Department:**

(Please refer to the Police Department report.)

Acting Chief McGhee informed Council that it was a very busy month, but the police department is still going out and performing their daily tasks.

Council member Clarke reported that she received positive feedback from a town citizen regarding an incident that happened in town recently.

### **Water & Sewer Department:**

(Please refer to the Water & Sewer Department report.)

Mr. Humphrey stood before Council and read aloud from his report, highlighting areas of interest.

### **Litter Committee:**

No report.

### **Streets & Sidewalks:**

No report.

### **Cemetery:**

No report.

## **REPORTS FROM STAFF**

### Counsel

Mr. Gore stated that at the last meeting, a contract between the Council and the Town Manager was discussed. Mr. Gore reported that he has reviewed the contract, but is stilling working on it in conjunction with the personnel policy to be sure that both are

accurate and up to date with state and federal law. Mr. Gore stated that he hoped to report back on the matter at the next meeting.

Mr. Gore also informed Council that the town has been notified of a lawsuit that the Virginia Attorney General is entering into on behalf of all municipalities around the state that involves the use of a certain type of water and sewer piping product that is problematic. Mr. Gore stated that he spoke with the Assistant Attorney General to inform him that some of the piping has been used in Louisa.

### Clerk

No report.

### Treasurer

Mrs. Pinter reported that the deadline for business license payments is June 30, 2010.

### Manager

Mr. Marks reported the following:

- The minutes from the last meeting involving the WWTP expansion project are in the packet. The project is approximately one day behind schedule.
- A letter involving the town well rehabilitation project with the county was included in the packet.
- The town was awarded \$4,317 by the Department of Criminal Justice for the Byrne Justice Assistance Grant, which is a grant that we apply for and receive each year. Mr. Marks stated that

there is a \$480 match, and needs Council's approval to accept the grant and meet the required match.

Council member Kersey made the motion to accept the Byrne Justice Grant and meet the required \$480 match. Council member Dulaney seconded the motion. The vote went as follows: 5-0 in favor.

- Mr. Marks reported that there was a state code change regarding VRS that allows new employees (as of July 1, 2010) to pay their own contribution share should their employer decide that they do

not want to make the 5% contribution for them. Mr. Marks stated that Council can choose to continue to make the contribution for their employees as they have been doing, or allow employees to make their own contribution, but regardless of their decision, they must acknowledge the change by adopting the resolution.

Council member Clarke made the motion to adopt the VRS resolution. Council member Carter seconded the motion. The vote went as follows: 5-0 in favor.

- An email from Tyler St. Clair regarding dates for a retreat was included in the packet for Council to consider.
- Mr. Marks stated that he would like to move forward with the southern loop project, and needs Council's authorization to select engineers.

Council member Gehle made the motion authorizing the Town Manager and the Water & Sewer committee to select an engineer and negotiate a contract not to exceed \$55,000. Council member Clarke seconded the motion. The vote went as follows: 5-0 in favor.

- Mr. Marks also referred to an email from Dominion regarding a hurricane drill that will take place on June 23<sup>rd</sup> & 24<sup>th</sup>. Mr. Marks stated that the town will be participating.
- Mr. Marks reported that there was a matter that needed to be discussed in closed session.

### **CLOSED SESSION**

Council Member Kersey made the motion to convene in closed session to discuss the following: as permitted by Virginia Code § 2.2-3711(A)(1), a personnel matter involving: the performance of a job

assignment of a specific employee. Council member Clarke seconded the motion. The vote went as follows: 5-0 in favor

Council went into closed session at 8:09 p.m.

### **REGULAR SESSION**

Council Member Clarke made the motion to return to regular session. Council Member Kersey seconded the motion. The vote went as follows: 5-0 in favor.

Council returned to regular session at 8:46 p.m.

### **CERTIFICATION OF CLOSED SESSION**

*Council member Kersey made the motion certifying that, in the closed session just concluded, nothing was discussed except the matter or matters (1) specifically identified in the motion to convene in closed session and (2) lawfully permitted to be discussed under the provisions of the Virginia Freedom of Information act cited in that motion. Council member Dulaney seconded the motion. The vote went as follows: Kersey, for; Clarke, for; Gehle, for; Dulaney, for; Carter, for.*

### **COMMUNICATIONS**

Mr. Carter spoke briefly stating that he had enjoyed serving on the Louisa Town Council for the past 12 years. Mr. Carter stated that he is proud of the town and its employees.

Council member Clarke and Mayor Artz both thanked Mr. Carter for his service, and expressed their pleasure in working with him over the past several years.

Council member Dulaney suggested a resolution be drafted thanking the Louisa County Sheriff's Department for their swift response in solving the Lois Rosson case.

Mr. Marks stated that there would be a light reception at 6:00 p.m. on Tuesday, July 20, 2010 for new Council members before the start of the meeting. Mr. Marks informed them that annual photos will be

taken at that time and new members will be sworn in by Mrs. Hopkins.

### **ADJOURNMENT**

Council Member Clarke made the motion to adjourn the June 15, 2010 Louisa Town Council meeting at 8:54 p.m.

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Mayor

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Clerk