

The Town of Washington

Town Hall

June 14, 2006

Approved Aug. 08, 2006

Town Council Meeting

7:30 p.m.

- **CALL TO ORDER:** Mayor Leggett: 7:30 p.m. The following Town Council members were present: Mayor Leggett, Vice Mayor Lynch, Jerry Goebel, Claudia Mitchell, and Jeff Benson. Council members Alice Butler and Jean Goodine were absent. Town Attorney John Bennett and Town Clerk Laura Dodd were also present.

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- **APPROVAL OF MINUTES:** Continued April 12, 2006 Council held on April 18, 2006, May 10, 2006 and Continued May 10, 2006 Meeting held on May 24, 2006: Mayor Leggett asked if there were any additions or corrections to the draft minutes of the Continued meeting held on April 18, 2006 and there were none. Mr. Benson made a motion to approve the minutes of April 18, 2006 and Ms. Goebel seconded and the motion carried 5-0 and the minutes were approved. Mayor Leggett asked if there were any additions to the minutes of May 10, 2006. There being no additional comments Mr. Benson made a motion to accept the minutes of May 10, 2006 and Mr. Goebel seconded and the motion carried 5-0 and the motion was approved. Mayor Leggett asked if there were any corrections or additions to the minutes of May 24, 2006 and there being none Mr. Benson made a motion to approve the minutes of May 24, 2006 and Mr. Goebel seconded and the motion carried 5-0 and the minutes were approved.

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- **REPORTS:**

Treasury Report, Jerry Goebel

Mr. Goebel reviewed the attached Bank Summary Report, the Bills-To-Be Paid List, and the Additional Bills to Be Paid List.

- **BANK SUMMARY REPORT:** Mr. Goebel reviewed the attached bank summary report. The total consolidated assets of the Town's accounts were \$480,336.22.
- **WATER USAGE:** Mr. Goebel reported that the gallons pumped for May were 1,318,300, the backwash was 56,000 gallons, billable gallons were 1,262,300 gallons, and the gallons billed were 1,015,600, and treated not billable was 246,700. He also noted that the water revenue for May was \$4,664.6 and the past due amount was \$1,222.08 and the total assets of Washington Water Works for May were \$1,020.29.

BILLS TO BE PAID: Mr. Goebel asked the Council to review the list of bills to be paid and the additional bills paid list. Ms. Mitchell asked about the Total Consolidated Assets figure commented that it seemed high when the Council had \$126,000 in bills the month before. Mr. Goebel reported that the Total Consolidated Assets amount included a check for Crom for over \$96,000 which had not cleared the bank yet.

Mayor Leggett asked if there was a motion to accept the Treasurer's Report. Mr. Benson made a motion to accept the Treasurer's Report. Mr. Lynch seconded the motion, and the motion passed 5-0 and the Treasurer's Report was accepted.

- PLANNING COMMISSION: Planning Commission Chairman Gary Schwartz reported that the Planning Commission had met in May at a joint meeting with the ARB and continued the review of the Historic District guidelines and that a joint meeting with the ARB was scheduled for 26th of June to continue the review.
- ARCHITECTURAL REVIEW BOARD: Mayor Leggett reported that the ARB had met the previous week.
- TOWN ATTORNEY: Mr. Bennett had no report.

- OLD BUSINESS:
 - a). RESERVOIR UPDATE: Mayor Leggett reported that the reservoir project was on schedule.
 Mr. Goebel discussed that he felt that the consensus was that the reservoir would blend in better if it was not painted green as requested by Col. Parson and asked if the Mayor could ask Col. Parson if it had to be painted.
 Mayor Leggett discussed that the Town had agreed to paint the tank and it was a requirement but it could certainly be brought up with General Berry and Col. Parson.
 Mr. Lynch asked if the towns' people could see the new reservoir.
 After a short discussion, Mr. Bennett suggested that anyone interested in seeing the reservoir should make arrangements first with the Town Clerk.

b). WASTEWATER UPDATE: Mayor Leggett reported that the Town had had the hearing before the State Water Control Board (SWCB) in Richmond and the permit had been approved unanimously, with the Chairman reusing herself. He discussed the hearing and thanked Senator Obenshain, who he said gave an impassioned and effective speech and had done a fine job. Mayor Leggett also thanked Delegate Gilbert for sending a representative to speak in support on his behalf. Mayor Leggett also thanked Mr. Lynch, Mr. White, Mary Ann Kuhn, Charlie Thomkins, Michelle Schwartz, Ms. Dodd, Meryle Strange, Don Hearl, John McPhearson, and John McCarthy, who all spoke in favor of the Town.

Mr. Lynch commented that after having worked on the project for over twenty years it was a great thing to have happened in the history of the Town's future and that it couldn't have happened without the unity of the Council and the support of the Town and County. He said it couldn't have happened ten years ago and it was an exciting moment in the history of Little Washington and he thanked everyone.

Mayor Leggett discussed that the SWCB could see that the Town was unified and that there was a serious health concern and a quality of life matter and that carried the day. He said that now the devil was in the details and now the Town had to face up to decisions relating to planning and construction of the project, decisions about the extent of the primary service district, how much would it cost to operate and how much revenue would the Town have to have, and what would be the financing. He discussed that there were about four funding sources that needed to be evaluated. He said that the Town would have to look at the Rappahannock County Water and Sewer Authority (RCWSA) and decide if they wanted to do something similar. He said that these were questions that needed to be considered and that the current time frame would be to get the planning done this year and start construction in 2006 and conservatively finish in 2007.

Mr. Lynch asked Mayor Leggett to explain the setup of RCWSA since he was on that board.

Mayor Leggett discussed that there were five members appointed by the County Board of Supervisors and they elected their own chairman and functioned with a chairman, vice chairman, treasurer, secretary, and plant manager.

Mr. Lynch asked if they handled the billing.

Mayor Leggett said yes and that the Authority was mainly confined to the Sperryville Plant with some support for the schools, and some support in the Town on the water side. He discussed that one option that the Town could look at was possibly using Troy Jenkins services as a licensed operator if John McCarthy and the Board of Supervisors were in support.

Mr. Lynch discussed that the Town might run the plant with the County board or could run in on their own, with a board separate from the Council.

Mayor Leggett said the RCWSA also hired a bookkeeper who took care of the billing.

Ms. Mitchell asked if the main function of the RCWSA was billing.

Mayor Leggett said no, that that it was an important function, but there were other functions such as new houses being built and added to system, new businesses coming on line, and handling other problems that came up.

Ms. Mitchell commented that maybe the Council should start attending some of the RCWSA meetings or read the minutes.

Mayor Leggett discussed that before the Town could get to the point of setting up a board like the Water and Sewer Authority that the Town might want to consider a temporary implementation board that would help with financing and rates, and construction.

Ms. Mitchell discussed that was what the \$150,000 figure for the consultant, Herb White, was for so that he could oversee the project and that Don Hearl had always said that the Town needed to have a project manager. She discussed that whoever was awarded the bid could have a project manager as part of the contract or the Town could hire a separate person to oversee it on the Town's behalf.

Mr. Lynch said he was not talking about the whole project but just a group to help determine billing and getting loans.

Ms. Mitchell discussed that was what the Town would pay the consultant a lot of money to organize and she expressed her concerns that there were not enough citizens in Town to do it and that she was leery of the outcome of what could happen and it would always have to be controlled by the Town since it was being paid for by the citizens and she feared that it would cause growth, which the Town tried to maintain in the Comprehensive Plan. She asked where the board members would come from and said that the Town committees were hard to fill now.

Mr. Goebel said that he thought it should be left to professionals.

Ms. Mitchell agreed and commented on Mr. White's proposal of \$150,000 for a year and a half's worth of work and said it was an extensive project and that there were no citizens in Town in the business. She said that the Town needed to hire someone on its behalf.

Mayor Leggett said that there were several areas that needed to be looked at. He discussed that Mr. White was qualified for the construction and design portions but he did not know if the Town wanted to turn the selection of financing to Mr. White and that other people such as John McCarthy had experience in these areas but the Town would have to make the final decision on who to take the loan from and on what terms and conditions and those were the questions that Town might want to farm out.

Ms. Mitchell discussed that the Town had talked about a task force to do analysis of the water bills, etc but there were people who could be hired to do it. She said she thought the reservoir project paralleled the wastewater project and was a \$600,000 project and the Town had not gotten a board to take care of that and once the contractor had been hired, they had had perimeters suggested by General Berry which the contractor had followed and the Town had not had to do anything on a day by day basis

in getting it done. She said she looked at the waste water project in the same way only six or seven times larger.

Mr. Lynch commented that the Town had been lacks in revisiting the water rates and the Town should have been raising the rates on a regular basis.

Ms. Mitchell agreed and discussed that the Town had a very low state wide rating which was based on County rates and that the Town had not raised rates to meet its costs and neither had the County.

Mayor Leggett commented that the County had had a steady increase in rates and the rates had always been sufficient to maintain a balance where expenses were covered and the Sewer Authority stayed in good general health.

Mr. Bennett asked if it would be helpful for the Town to identify other local jurisdictions that were as close as possible to the Town of Washington who had gone through water rate increases and see what worked and what didn't.

Ms. Mitchell said that was a good idea and that the state put that info on line and discussed that the Town had received the Draper Aden report which showed every county and town and how much they charged for hookups and services.

Mayor Leggett discussed that the town would have to have a working session on the financing and rates and that there were competent people available in Town including the Council and ARB and Planning Commission members.

Ms. Mitchell discussed that these preplanning sessions should be open to the Town all the time and that she wished to be able to attend every meeting and that including the citizens would be helpful.

Mr. Goebel discussed scheduling representatives from the different funding sources such as VRA, Rural Development, VML, and DEQ, to make presentations to the Council so the Council and the public could attend and ask questions in order to find the best solution.

Ms. Dodd agreed to start arranging presentations.

Ms. Mitchell discussed that the Clean Water Revolving Loan Fund application from DEQ was due July 12, 2006 and that the Town needed to get the application in to DEQ in order to keep its options open.

Ms. Dodd agreed to work on getting the application in on time.

Mr. Bennett suggested that the Town also submit a FHA application.

Mayor Leggett discussed that the Town had looked at possible funding from DEQ, VRA, VML, and Rural Development and that the Town needed to have additional input including from consultants before a decision could be made.

Mr. Lynch thanked John McCarthy and the Board of Supervisors for their support at the SWCB.

Mayor Leggett said that John McCarthy's support was very effective.

- NEW BUSINESS: PETITION TO ADJUST TOWN BOUNDARIES: Mayor Leggett commented that Mr. Doug Baumgardner was present and would like to address the Council.

Mr. Baumgardner on behalf of his clients, Bill and Jessica Metcalf, presented the Council with a petition signed by 11 people to adjust the Town boundaries to include 18 Tax May 20A parcels out Piedmont Avenue (attached). He asked the Council to consider the boundary adjustment and that said that did not expect a vote on it that night. He discussed that the statute it could be considered under was Section 15.2-3106 of the Virginia Code and he read the statute (see attached). He commented that he had served as Town Attorney in the 1980's and had represented the Town in a boundary adjustment out on Fodderstack Rd. He said procedurally the Town and County could come to an agreement and boundary lines redrawn and a survey would have to be done and then legal notices would have to run two consecutive weeks in the newspaper and then a petition would have to be filed in the Circuit Court and then the Circuit Court would have to sign off of the adjustment.

Mr. Baumgardner said that there was an old saying that if it talked like a duck, walked like a duck, then it was a duck and if it was not a duck it ought to become one. He said that Piedmont Ave. and that area looked like it was part of the Town of Washington, it was contiguous to the Town of Washington, and it had lots the size of what you would expect to see in the Town rather than what you would see in the County and that there was a functionality of unity in that area in that the features of individual properties are such and the look and size of parcels and construction on them and the atmosphere suggests to the beholder that it was part of Town but it had been excluded from the Town of Washington. He said that their argument could be put that it would be good land use and an economy of scale when water and sewer systems were looked at. He said that these improvements such as developing sewer and maintaining water lines had to be paid for and the Town needed users. He said the argument could also be made that it would be more efficient to include that area in the Town of Washington and that the bottom line was economy of scale and that from the perspective of his client and the perspective of the people who signed the petition, which he was told represent a good solid majority of the land owners in that area, was a question of fairness. He said that this area had been excluded from the Town in the past and should be included now.

Mayor Leggett asked why it had been excluded in the past.

Mr. Baumgardner said he did not know.

Mayor Leggett said he had some questions about the map and property lines including what W.T.L.P. meant.

Mr. Baumgardner did not know but said that the map was an attempt to give a general picture of the area.

Mr. Goebel asked who his client was.

Mr. Baumgardner responded that it was Mr. and Ms. Metcalf.

Ms. Mitchell commented that Mr. Metcalf had asked her to look into this question prior to this meeting and she had talked to Mr. Bennett about it. She discussed that she had looked at the minutes from when the Town had looked at annexing that area before and at that time there were 71 signatures against it. She asked how many people in the area had not signed the current petition.

Mr. Baumgardner responded that his client had said that they had approached everybody.

Ms. Metcalf said that she had gone door to door.

Mr. Bennett asked Ms. Metcalf if she had mentioned to the property owners that they would be subject to Town taxes and mandatory water and sewer fees.

Ms. Metcalf said yes.

Mr. Lynch commented that their property taxes would likely increase.

Ms. Mitchell commented that she felt that these property owners had off and on tried to participate at this level for twenty-five years and said that she would be happy to see some of these individuals come to Council meetings and participate in what happened particularly as the Council started discussing things that would be expensive for the individual like water taps, which had just been raised to \$5000 on the sewer system, which they would have to be on. She said she was for the boundary adjustment if the people there understood the ramifications of being included.

Mr. Lynch asked Mr. Metcalf's property was on the tax map and commented that it was impossible to annex his property without annexing other people too.

Mr. Baumgardner commented that it was really a question of whether the Town was willing to negotiate with the County.

Ms. Mitchell commented that Mr. Bennett had told her that this application was different from other adjustments in that voting changed. She asked what were the special considerations since they actually changed voting.

Mr. Bennett said that in addition to what the local governments did, it would have to be reviewed by the Justice Dept. under the Voting Rights Act to see how it affected voting patterns in the Town and in the County.

Ms. Mitchell asked if that was just a normal part of the process.

Mr. Baumgardner said yes.

Mayor Leggett commented that the Council would take the request under advisement and would get back to Mr. Baumgardner with questions.

Mr. Baumgardner said that their goal had been to present the concept and that it was a general outline.

Mr. Lynch discussed that he did not remember anyone in the eighties from Piedmont Ave. coming forward who wanted to be included in the Town.

Ms. Mitchell commented that at that time there were 71 signatures who did not want the area to be annexed and that there was a movement by some people to come into Town and then a petition was circulated that had 71 signatures to fight it because of property taxes.

Mr. Baumgardner discussed that the Town did have the right to charge property tax.

Mr. Goebel asked how many people actually lived out in that area since only 11 signatures were on the petition.

Ms. Mitchell discussed that the tone was different now and that the people on petition wanted to come into Town and that of those 71 signatures in the eighties some were people who lived in Town who did not wish that area to come into Town.

Mr. Baumgardner discussed that there was functionality between those properties and the Town.

Mr. Gary Schwartz asked if Mr. Baumgardner if he could quantify how many lots and people were involved.

Mr. Baumgardner said he had listed the lots, at least ten, but it was a broad, general concept and it was a starting point.

Ms. Mitzie Young asked what was going to be done about those people who if annexed could not afford to tie into the water and sewer system

Ms. Mitchell discussed that there were grants available to assist people if a person had financial need or health concerns such as inadequate well and that John McCarthy knew about them.

Ms. Young discussed that in the 1980's that there were a lot of people obviously opposed and felt strongly because they did not want the Town to expand.

Ms. Mitchell discussed that Mr. Metcalf had brought up different needs two times in the last year and a half to the Council and it was refreshing that this was being brought up and that she was impressed that the Metcalfs' had hired Mr. Baumgardner to bring it before the Council to make it an official document and request. She discussed she did not look at it as people in the County saying that the Town was looking to expand the Town but to her that it was a need that had been going on for years and there were people who were desperate to have water from the water system and would need to have sewer for health purposes.

Mr. Baumgardner discussed that the lots already existed whether they were in the Town or the County and asked whether the Town or the County was better equipped to handle those types of problems with water sewer. He commented that the Metcalfs did have a personal interest in seeing the Town expand into the County and said that they were in favor of getting as much information out about whether the ARB regulations would apply and if The Town could exercise a tax and if they would be under the Planning Commission and Town Council. He said what people were picking up at that point is that people in that area supported it and though it was a fair and right thing to do and it was a question of whether the Town was going to be inclusive or exclusive.

Mr. Bennett commented that the Town had just gone through a very thorough process of reevaluating its Comprehensive Plan and where the Town was going and what the potential for growth would be in the future and how the Town government would meet those needs. He discussed that the Town had had a careful look at this and hired consultants and after months of discussion and review and paying care attention to all the details had come up with a well thought out revision to the Town's Comprehensive Plan.

He expressed his concern that this proposal flew in the face of that process after the Town had just gone through the process of fine tuning the evaluations and recommendations of what it should do in the future and the process was concluded and that this proposal now involved significant land area for the Town.

Mr. Baumgardner discussed that it was a question of unity between this area and the Town and that the Comprehensive Plan was required to be reviewed in five years and it was a work in progress and concepts were meant to evolve over time and the way things looked were changed over time and that in this case what was really at stake was to look at the broad picture, not each chunk of land, but the question of fairness.

Ms. Mitchell discussed that that area had come up several times during the Comprehensive Plan discussions which was reflected in the minutes and that the first plans that Herb White had drawn up had included that area for sewer until the Town had asked him to come back into Town limits. She said that it seemed to her a natural progression that that area might be included.

- OLD BUSINESS CONTINUED:

c). AVON HALL UPDATE: Ms. Mitchell reported that the repairs were done, the columns were finished, and the work was way under budget.

Mr. Goebel asked for and update on the sale of the four acres of Avon Hall property to the County.

Mr. Bennett reported that there had been a hold up with the survey but that was now done and would be recorded the next day and the funds from the County should be dispersed in the next few days to the Town.

Ms. Mitchell thanked Mr. Bennett for his work on the sale of the four acres.

Mr. Benson thanked Ms. Mitchell for her work in getting the Avon Hall repairs completed.

d). SPRING CLEAN-UP: Ms. Mitchell discussed that the landscaper she hoped would landscape the three entrances to the Town wanted to charge \$1000 instead of \$500 so she was now hoping to work with the trustees, one being a professional landscaper, to do the landscaping and asked Ms. Dodd to see if the Sheriff's office would allow them the time to work with her. She also thanked the Gay St. Inn and the Washington Baptist Church for becoming barrel keepers.

Mr. Goebel reported that the Town had replaced the burned out overhead lights, fire extinguishers, and smoke detectors in the Town Hall.

e). APPROVAL OF FY 2006-2007 BUDGET: Mayor Leggett commented that the next item of business was to approve the budget and asked if there were any questions. There being none, Mr. Benson made a motion to approve the draft FY2006-2007 budget as amended and Mr. Goebel seconded and a roll call vote was taken:

- Ms. Mitchell voted "aye" Mr. Goebel voted "aye"
- Mr. Benson voted "aye" Mr. Lynch voted "aye"
- Mayor Leggett voted "aye"

- And the motion passed 5-0 and the budget was approved.
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- NEW BUSINESS CONTINUED:

- b). WATER RATE SURVEY PROPOSALS: Mr. Goebel reported that the Town had just received the WW & Associated water rate proposal that day and the Robinson, Farmer, and Cox proposal the day before and the Council had not had time to review them. He discussed that the WW & Associates proposal was a lump sum of \$7,500 and included funding assistance and the Robinson, Farmer, Cox proposal was up to \$10,000 to do the survey. He said he felt it was important the Town get started studying the water rates and he asked for a motion to approve an expenditure of not in excess of \$10,000 for a water rate survey.

Mr. Bennett discussed that to the extent that the Town wished finance the \$600,000 for the water upgrade to the reservoir and the refinance the existing water system note or combine the two the rules that regulate revenue bonds financing might require particular type of water rate study to determine the way the project was financed. He said that the Town might spend money now to do a study but 12 months later might not have the right type study for the type of financing package it was considering.

Ms. Mitchell discussed that the Town was looking at the end of August for the reservoir project to be finished at a cost of \$600,000 plus the costs of the existing water system note of \$400,000 for a total of \$1 million and that Mr. White had always said he was very familiar with getting funds from all the funding groups and his proposal was for \$7,500 and would assist with financial assistance where the Robinson, Farmer, Cox proposal would only figure out what the rates should be.

Mr. Bennett said that the financing could move forward before selecting the water rater survey.

Mayor Leggett commented that the financing could include both water and sewer.

Mr. Goebel discussed that the financing for the reservoir needed to be done now.

Mr. Bennett discussed some of the various funding options such as the DEQ Clean Water Revolving Loan Fund, which offered low financial rates for towns demonstrating an urgent public health situation, which he said the Town might be able to demonstrate, and the FHA loans which right now the reservoir would not qualify for and that VRA or VML funding might be available for the reservoir. He said that it would not hurt the Town to get a separate bond now for the reservoir which later might be able to be rolled into a water and sewer bond and the Town could look into financing the reservoir. He discussed that the environment of interest rates were rising and the sooner the Town locked into a fixed rate the better it would be for the Town.

Ms. Mitchell discussed that she thought that was what she thought the work sessions discussed earlier in the meeting were about to discuss financing for the reservoir which was almost finished. She commented that it was prudent that when the water bills went up that people could look at their finances and budgets so that when the sewer bills came in they would not be hit all at once. She said she thought that when the reservoir was done the Town would have the financing and would change the rates this summer.

Mr. Bennett discussed that the Town could separate out the reservoir funding from the waste water funding and move forward with that but he felt that the Town needed to know the finance source and what was required before approving the rate survey as the type of study varied.

Ms. Mitchell discussed that DEQ would require water rate study before approving the waste water funding.

Mr. Bennett discussed that FHA had people on staff that could help do the rate studies as part of the funding application.

Mr. Schwartz discussed that the water rate studies proposals should have a caveat that hooked the rate study to financing.

Ms. Mitchell commented that the WW & Associates proposal did do that.

After some further discussion the Council asked Ms. Dodd to arrange for a VRA representative to make a funding presentation at the next Council meeting and to arrange for other funding representatives to make funding presentations at subsequent meetings.

c). **REAPPOINTMENT TO THE PLANNING COMMISSION:** Mayor Leggett reported that Mary Ann Kuhn appointment to the Planning Commission expired at the end of the month and that she had expressed that she would be happy to be reappointed.

Ms. Mitchell made a motion to reappoint Mary Ann Kuhn to the Planning Commission for four years to expire on 6/30/2010. Mr. Goebel seconded and a roll call vote was taken:

Ms. Mitchell voted "aye" Mr. Goebel voted "aye"

Mr. Benson voted "aye" Mr. Lynch voted "aye"

Mayor Leggett voted "aye"

And the motion passed 5-0 and Ms. Kuhn was reappointed.

- **PUBLIC FORUM:** Mayor Leggett opened up the Public Forum.

Mr. Schwartz thanked the Council for getting the approval for the waste water permit from the SWCB. He spoke in favor of finding out what the water rates should be and for increasing them as soon as possible.

Mayor Leggett closed the Public Forum.

- **ADJOURNMENT:** At 9:12 p.m. Ms. Mitchell made a motion to adjourn and Mr. Benson seconded and the motion passed 5-0.

Respectfully submitted,

Eugene S. Leggett
Mayor

NEXT REGULARLY SCHEDULED MEETING OF THE COUNCIL: July 12, 2006

List of Attachments:

Bank Summary Report

List of Bills-To-Be-Paid

Additional Bills Paid

Petition to Adjust the Town Boundaries

Water Rate Survey Proposal from Robinson, Farmer, Cox

Water Rate Survey Proposal from WW & Associates

Approved FY 2006-2007 Budget