



**MIDDLEBURG TOWN COUNCIL
REGULAR WORK SESSION
MINUTES**



July 24, 2014

PRESENT: Mayor Betsy A. Davis
Councilmember Kevin Hazard
Councilmember Catherine “Bundles” Murdock
Councilmember Erik J. Scheps
Councilmember Kathy Jo Shea
Councilmember Mark T. Snyder

STAFF: Martha Mason Semmes, Town Administrator
Rhonda S. North, MMC, Town Clerk
Cindy C. Pearson, Economic Development Coordinator

ABSENT: Vice Mayor C. Darlene Kirk
Councilmember Trowbridge Littleton

The Town Council of the Town of Middleburg, Virginia held their regular monthly work session on Thursday, July 24, 2014 in the Town Hall Council Chambers, located at 10 W. Marshall Street. Mayor Davis called the meeting to order at 6:00 p.m.

Annual Report – Pink Box Advisory Board

Linda Platt, a member of the Pink Box Advisory Board, thanked Economic Development Coordinator Pearson, Mayor Davis, Town Administrator Semmes, the members of the Council and Mary Kay Garwood for their help in renovating the Pink Box. She opined that Councilmembers Littleton and Hazard did an excellent job organizing the space and making it more attractive. Ms. Platt reminded Council that the changes included refinishing the floors, the installation of new brochure shelves and lighting, new cushions and pillows for the benches, a new refrigerator, microwave and storage shelves for the excess brochures. She also thanked Melanie Mathews, of the National Sporting Library, for finding space for the storage of their historic photographs.

Ms. Platt reported that some of the highlights of the last year included the renewal of the wedding vows of a couple who were married in the Pink Box Pavilion ten years ago, participation in the *Art in the Burg* events, participation in several tours – most recently a tour of the equestrian estate of Handen Farm where Lynn Symansesky was training with David O’Conner for the Olympics. She noted that they also toured Loudoun County in conjunction with Visit Loudoun.

Ms. Platt reported that the Pink Box continued to experience problems with “doggie visits” that were affecting the boxwoods and plantings. She advised that they have used Critter Ridder without much success.

Mary Kay Garwood, Chairman of the Pink Box Advisory Committee, advised Council that any suggestions they may have to address the dog situation would be greatly appreciated.

Council held some discussion as to possible solutions, including consulting with Wylie Wagg, the use of American boxwoods and possible signage to nicely ask people to keep their dogs off the plantings. They noted the need to require that the dogs be on leashes.

Councilmember Murdock inquired as to what photos were stored at the National Sporting Library. Ms. Garwood reported that all of them were, many of which were photographs of the Kennedys taken by Mr. Allen. She explained that they were being kept in a controlled environment until needed.

Mayor Davis opined that the Pink Box looked wonderful. She thanked the members of the Advisory Board for their hard work. Ms. Davis asked whether there was anything they wanted the Council to consider.

Ms. Garwood reported that people who have been coming to Middleburg for years would come into the Pink Box and say “they did not know it was here” as they did not see the signs.

Mayor Davis advised Ms. Garwood that the Town was working on a way finding system that would provide better directional signage throughout the town.

Councilmember Murdock questioned whether the Pink Box had its own webpage. Economic Development Coordinator Pearson confirmed it did not.

Councilmember Murdock suggested that given the new generation, Facebook, Twitter, and tweets were the next step. Ms. Garwood confirmed that she had a couple of people who were capable of doing this.

Councilmember Murdock opined that the Pink Box should be promoting the Olympic trials event at Great Meadows and should encourage people to stay in town while attending it. Ms. Garwood confirmed they had posters at the Pink Box.

Economic Development Coordinator Pearson reported that she was working to ensure the electricity worked this year for the Christmas tree in the Pink Box Park.

Councilmember Hazard suggested the electronic newsletter contain information on the Pink Box.

The Council held some discussion regarding electronic communication and the target audience.

Councilmember Snyder suggested the Town’s webpage have a link to the electronic newsletter. Economic Development Coordinator Pearson reported that this was not possible with Constant Contact, which was used to produce the electronic newsletter. She explained that it could be sent to individuals; however, it could not be posted live. Ms. Pearson advised that she has tried to post it as a pdf; however, it did not work. Councilmember Snyder noted that he would look into this.

Councilmember Shea inquired as to how the Pink Box kept its information updated regarding businesses, such as hours of operation. She asked whether the Middleburg Business & Professional Association (MBPA) or the businesses themselves provided them with the changes. Ms. Shea noted that she recently brought in the changes in the hours of operation for her business. She suggested the Pink Box solicit the assistance of the MBPA to update that information. Ms. Shea reported that visitors were getting bad information from a different source; and, explained that she had several people tell her that they were told that there was no bookstore in town. She noted that another had been told there was a sports store in town. Ms. Shea stressed the importance of having accurate information in some form so someone could answer questions regarding hours of operation, etc.

Councilmember Murdock questioned whether the guests from the resort were being sent to the Pink Box. Ms. Garwood confirmed they were. She reported that this past Saturday, she had seventy visitors at the Pink Box, one third of which were from the resort.

Town Administrator Semmes noted that the Economic Development Coordinator provided Shopping/Dining Guides to the resort, as well as the Pink Box.

Economic Development Coordinator Pearson noted that it was difficult to keep the business' hours of operation up to date in the guide as they changed so often. She further noted that the businesses were not good about sending her their changes.

Councilmember Shea suggested the staff work with the MBPA to remind businesses to let the Town and Pink Box know of any changes.

Ms. Platt noted that the Committee looked forward to working with Councilmember Scheps in the future. She further noted that the Garden Club funded the replacement of the Town's entrance signs and suggested that if there was interest in doing so, they could add a sign for the Pink Box to them.

Economic Development Coordinator Pearson explained that the entrance signs were for special events only.

Town Administrator Semmes explained that the signage would be addressed through the way finding signs and noted that a prominent sign would be located at the traffic light.

Councilmember Murdock suggested there be a separate sign for the Pink Box at both entrances. Mayor Davis opined that there was already too much for motorists to read at these locations. She suggested the use of social media to make people aware of the visitors' center.

Councilmember Shea suggested the MBPA put this on their website. Economic Development Coordinator Pearson confirmed they had a link on it, as did the Town's website.

Council Approval – Bid – Marshall/Madison Street Pedestrian Project

Town Administrator Semmes advised Council that they did not have to approve this item at this time and explained that a lengthy review was required by VDOT, which would alter the schedule. She reported that the Town received two bids, one of which was within the budget. Ms. Semmes expressed hope that the low bidder was a qualified one. She reported that J2 Engineering was reviewing the bids and would make a recommendation to VDOT on the low bidder, which Jim Zeller (of VDOT) would then review. Ms. Semmes noted that Mr. Zeller must also consult with the Civil Rights Office in Richmond because there were targets for projects in this area. She explained that a certain percentage of a project must go to a disadvantaged/small business. Ms. Semmes reported that once this was done, VDOT would issue an authorization so the Council could award the contract. She noted that the low bidder was currently constructing a barn in Purcellville and advised that they have just recently begun to do street work. Ms. Semmes reported that she hoped to have the project completed before the end of October and advised that the engineer believed this was doable. She opined that the Town was a month away from getting the authorization to proceed. Ms. Semmes reported that the project would be completed prior to the Christmas in Middleburg event.

Council Approval – Application for Potential Bond Funding Package – Utility Projects

Town Administrator Semmes noted that an update of the preliminary debt service schedule has been placed on Council's desks and advised that it included updated rates for both banks and the Virginia Resource Authority (VRA). She reminded them that VRA was a public agency that put out bond issues that allowed small communities that were not large enough to have their own bond rating to pool their loans to take advantage of the State's credit rating. Ms. Semmes reported that the other advantage of using VRA was that they provided a fixed rate over the life of the loan. She noted that those loans were typically for twenty-five to thirty years. She advised Council that Davenport provided alternatives if the Town borrowed \$750,000, \$900,000 and \$1 million, over a twenty-five and thirty year period, through a bank loan or through a VRA bond. Ms. Semmes advised that the table on page nine of the report summarized the information. She reported that the Town had approximately \$900,000 worth of projects that the Utility Committee has recommended be done immediately as they were high priority projects. She advised that if the Town pursued a \$750,000 loan, it would either need for the projects to come in under budget or the Town would need to put in some cash. Ms. Semmes opined that the Council should consider a \$900,000 or \$1million loan. She noted that as to the bank loan, it may be difficult to find a bank that would offer a fixed rate for twenty-five or thirty years. Ms. Semmes reminded Council that when they did the last bond refunding, the bank only wanted to lock in the interest rate for fifteen or twenty years, after which it would be reset. She noted that the Town could always ask the banks what they were willing to offer. Ms. Semmes advised that if the Town borrowed \$900,000, it was looking at between \$52,000 and \$62,000 in annual debt service payments. She noted that Councilmember Snyder would talk about the impact of this debt on the utility rates and advised that one of the advantages of doing these projects using a loan was that it would smooth the rates out over time.

Councilmember Snyder reminded Council that the Town had a sophisticated rate model, which he and the Town Administrator have been updating. He advised that he ran the numbers both ways – using cash and a bond to finance these projects. Mr. Snyder reported that if the Town paid for the projects using cash, it would not break-even even if it raised the rates by thirty percent (30%). He noted that the rate model projected the Town would spend between \$75,000 and \$100,000 annually for capital improvements. Mr. Snyder reported that the use of a loan would allow the Town to keep the rates flat and would allow it to complete the biggest items on the list, including the Washington Street line replacement project, the east end water line looping project and the Windy Hill Pump Station replacement project. He advised that the Utility Committee agreed these were the priorities. Mr. Snyder noted that the lift station replacement was important as it periodically flooded and as a result, the Town received DEQ violations. He reiterated that the use of a loan would keep the utility rate structure level. Mr. Snyder noted that it would also allow the Council the flexibility of doing cash funded capital improvements – not to the extent it could if it had no debt – but there would still be some leeway. He advised that he spent hours working on the rate model to make sure everything fit and noted that he looked at it both ways. Mr. Snyder reported that he was confident that if the Council went with a \$900,000 bond, it would not require a rate increase and there would still be wiggle room for capital improvements in the coming years, without the need to update the rate structure.

Councilmember Hazard opined that the Town would still have \$35,000-40,000 per year available to use for capital projects.

Councilmember Snyder confirmed it would. He noted that the Town was slowly building its Utility Fund reserve. Mr. Snyder advised that this fund was in better shape than it was in FY '12 and was now stable.

Town Administrator Semmes reminded Council of the August 1 deadline to submit a placeholder to VRA. She noted that the amount did not have to be exact and advised that as long as she got something to them by August 1 that included a good estimate of what the Town would be borrowing, this was all they needed for now. Ms. Semmes reminded Council that doing so would not commit the Town.

Councilmember Hazard questioned whether the Town could submit a place holder for \$1 million and then reduce it to \$900,000.

Councilmember Snyder noted that \$900,000 fit in the rate model and suggested that if the Council wanted to go with a \$1 million loan, he would need to look at the ramifications of that much debt.

Councilmember Murdock noted that the draft motion did not include a loan amount. Town Administrator Semmes requested guidance on the debt amount that should be pursued.

Councilmember Snyder moved, seconded by Councilmember Murdock, that Council endorse the projects recommended from the Utility Committee for further exploration of financing options as outlined in the staff memorandum and in the Davenport report in the amounts of \$750,000, \$900,000 and \$1 million as presented at this meeting. Councilmember Snyder further moved, seconded by Councilmember Murdock, that Council authorize the Town Administrator to file an application for the Fall 2014 VRA bond issuance and to issue an RFP for financing these projects through private banks.

Vote: Yes – Councilmembers Hazard, Murdock, Scheps, Shea and Snyder

No – N/A

Abstain: N/A

Absent: Councilmembers Kirk and Littleton

(Mayor Davis only votes in the case of a tie.)

Addition of Item to the Agenda

Councilmember Murdock moved, seconded by Councilmember Scheps, that Council add item 4A (Council Approval – Donation – Middleburg Film Festival) to the agenda.

Vote: Yes – Councilmembers Hazard, Murdock, Scheps, Shea and Snyder

No – N/A

Abstain: N/A

Absent: Councilmembers Kirk and Littleton

(Mayor Davis only votes in the case of a tie.)

Council Approval – Donation – Middleburg Film Festival

Mayor Davis advised Council that there was a misunderstanding with regard to this item and explained that when the Council was working on the budget she had asked that they consider giving \$10,000 to the Middleburg Film Festival; however, they did not get this information as she was absent from the meeting. She noted that the Economic Development Budget contained \$25,000 for special events. Ms. Davis reiterated that she had asked whether the Council would consider giving \$10,000 of it to the Middleburg Film Festival and requested that it be an actual line item in the budget. She opined that it was important to support any big project that benefited the town. Ms. Davis noted that she was talking about using \$10,000 of the \$25,000 that has been allotted for special events.

The Council held some discussion regarding the Film Festival, who was responsible for it and the details of their request for funding. It was noted that the festival was being operated under the auspices of the Piedmont Community Foundation, as the festival committee was not yet a 501(C)3 organization. The Council agreed that because this was the second largest event in Middleburg, which brought in people for a three day period, it was worth supporting. They noted, however, the need to have the festival committee appear before the Council to discuss their request. The Council further noted the importance of meeting with not only this committee but anyone who requested funding for an event prior to the establishment of the event so they could discuss items such as date, how it would affect the Town and goals.

Town Administrator Semmes suggested the Committee be invited to attend the August 14th Council meeting to make a public presentation. She noted that the Council could then ask questions. The Council directed the Economic Development Coordinator to check with the committee about appearing before them.

Council Discussion – Health Center Fund

Mayor Davis noted that Vice Mayor Kirk asked that this discussion be delayed until the August meeting when she would be available to participate.

Town Council Reports

Councilmember Shea reported that the Go Green Committee met and discussed the proposed resolution for combining the HEAL efforts and Go Green. She noted that they needed to figure out a way to do this. Ms. Shea reported that they accepted most of the draft the Town Clerk provided; however, they questioned why they were an ad-hoc committee. She explained that they were concerned that this made it sound like they could be dissolved soon. Ms. Shea suggested they be “a committee” of the Town.

Councilmember Murdock inquired as to the difference between the two. She inquired as to which committees were ad-hoc committees. Town Clerk North reported that Go Green and the Wellhead Protection Committees were both ad-hoc committees. She explained that ad-hoc committees could not take action on their own, whereas “regular” committees could vote on items without coming before Council. Ms. North noted that the Planning Commission, HDRC and BZA could act on their own accord. She further noted that the Pink Box Advisory Committee was also an ad-hoc committee. The Council agreed that this made sense as the Planning Commission, HDRC and BZA were different than the rest of the Town’s committees.

Councilmember Shea advised that following their next meeting, she would bring forth Go Green’s comments on the resolution. She reported that they would also like to propose that Andrew Gothner be appointed as a member. Ms. Shea advised that she would get some information on this appointment to the Council.

Councilmember Snyder reported that the Wellhead Protection Advisory Committee met last week. He noted that they were reviewing their goals and the progress being made on the action items in the plan.

Councilmember Murdock reminded Council of National Night Out scheduled for August 5th. She asked the members to be present and opined that it would be a great event.

Town Administrator Semmes noted that Will Moore, the new Town Planner, would be present for it. She opined that he has been “fabulous” in the four days he has been here.

Mayor Davis noted that she recently met Stuart Will of Inboden Environmental Services, who has been promoted to be Middleburg's operator. She advised that he said this was "the nicest place he has ever worked".

Town Clerk North reported that she worked for twenty years with Mr. Stuart's cousin, Keith, who had a strong work ethic. She opined that Will was just like his cousin.

Town Administrator Semmes reported that she recently received a compliment from a citizen who flagged down Mr. Stuart about a water problem. She advised that he was very practical and efficient and a hard worker.

Councilmember Murdock suggested he attend a meeting to meet the Council.

Town Administrator Semmes reported that the water towers have been drained, cleaned and refilled without any issues. Economic Development Coordinator Pearson reminded Council that customers have been asked to conserve water until tomorrow. Town Administrator Semmes explained that this was because the large tank would not back in service until the second bacteriological test cleared. She advised that customers could start using their hoses again beginning Saturday, July 26th.

Mayor Davis reminded Council of the Sidewalk Sale to be held August 1-3.

Economic Development Coordinator Pearson reminded Council that the last Bluemont concert of the season would be held on Saturday, July 26th.

There being no further business, a motion was made and voted upon to adjourn the meeting at 6:55 p.m.

APPROVED:

Betsy A. Davis, Mayor

ATTEST:

Rhonda S. North, MMC, Town Clerk