



**MIDDLEBURG TOWN COUNCIL
REGULAR WORK SESSION
MINUTES**



Thursday, March 23, 2017

PRESENT: Mayor Betsy A. Davis
Vice Mayor Darlene Kirk
Councilmember J. Kevin Daly
Councilmember Kevin Hazard
Councilmember Peter Leonard-Morgan
Councilmember Trowbridge "Bridge" Littleton
Councilmember Philip Miller
Councilmember Mark T. Snyder

STAFF: Martha Mason Semmes, Town Administrator
Rhonda S. North, MMC, Town Clerk
William M. Moore, Town Planner
Ashley M. Bott, Town Treasurer

The Town Council of the Town of Middleburg, Virginia held their regular monthly work session on Thursday, March 23, 2017 in the Town Hall Council Chambers, located at 10 W. Marshall Street. Mayor Davis called the meeting to order at 6:00 p.m.

Public Hearing – Ordinance to Amend Town Code Chapter 89 Pertaining to Stopping, Standing & Parking and the Adoption of a Revised Schedule of Stopping, Standing & Parking Penalties

No one spoke and the public hearing was closed.

Public Hearing – Special Use Permit 16-01 – Middleburg Museum Foundation

Councilmember Littleton recused himself and left the dais. He noted that he served on the Board of Directors for the Museum Foundation and would represent them for this item.

Bridge Littleton, of the Middleburg Museum Foundation, thanked the Council and staff for their assistance. He expressed hope that they were getting close to moving the museum forward. Mr. Littleton noted that he was available to answer any questions the Council may have.

No one else spoke and the public hearing was closed.

Councilmember Littleton resumed his seat on the dais.

Council Approval - Ordinance to Amend Town Code Chapter 89 Pertaining to Stopping, Standing & Parking and the Adoption of a Revised Schedule of Stopping, Standing & Parking Penalties

Councilmember Snyder moved, seconded by Councilmember Daly, that Council adopt (1) an ordinance to amend Town Code Chapter 89 pertaining to stopping, standing and parking and (2) a revised schedule of stopping, standing and parking penalties.

Vote: Yes – Councilmembers Kirk, Daly, Hazard, Leonard-Morgan, Littleton, Miller and Snyder
No – N/A
Abstain: N/A
Absent: N/A
(Mayor Davis only votes in the case of a tie)

Council Approval – Special Use Permit 16-01– Middleburg Museum Foundation

Vice Mayor Kirk moved, seconded by Councilmember Snyder, that Council approve Special Use Permit 16-01 for the Middleburg Museum Foundation because the request is consistent with the Comprehensive Plan and the criteria for granting a special use permit. Vice Mayor Kirk further moved, seconded by Councilmember Snyder, that this approval be subject to the following: (1) general conformance with the site plan and elevations by Turnure Architecture dated November 21, 2016; (2) addressing offsite parking requirements prior to occupancy; and (3) securing a Certificate of Appropriateness from the Historic District Review Committee.

Vote: Yes – Councilmembers Kirk, Daly, Hazard, Leonard-Morgan, Miller and Snyder
No – N/A
Abstain: Councilmember Littleton
Absent: N/A
(Mayor Davis only votes in the case of a tie)

Councilmember Snyder opined that it was unfortunate that there was no mechanism in place to waive the parking requirements for a museum in the C-2 District and advised that he would like to pursue this. He further advised that he would also like to extend the parking relaxation for restaurants and retail into the C-3 District. Mr. Snyder asked that the minutes reflect that the Council should address those issues.

Council Approval – Salamander Conservation Easement Amendment

Councilmember Hazard moved, seconded by Councilmember Snyder, that Council approve the Second Amendment to the Deed of Open Space Conservation and Vacation between the Town, Salamander Development and The Potomac Conservancy. Councilmember Hazard further moved, seconded by Councilmember Snyder, that the Mayor be authorized to sign the Deed on the Town's behalf.

Vote: Yes – Councilmembers Kirk, Daly, Hazard, Leonard-Morgan, Littleton, Miller and Snyder
No – N/A
Abstain: N/A
Absent: N/A
(Mayor Davis only votes in the case of a tie)

Councilmember Snyder reminded Council that without this amendment, the replacement of the West End Pump Station would be difficult with regard to the Salamander development.

Report – Christmas in Middleburg

Jim Herbert, Chairman of the Christmas in Middleburg Committee, reminded Council that the Committee did a number of things differently in terms of audience and visitor promotion. He reported that they throttled back on their advanced use of social media and instead used it after the event to try to get people to return to Middleburg through the Christmas season and into January. Mr. Herbert reiterated that they

tried to reduce the attendance from the previous year's number of 25,000. He reminded Council that they increased the parking fees to \$20/car, which reduced the crowd size back down to 14,000 people. Mr. Herbert likened the use of social media as their accelerator and the increased parking fee as the brakes and opined that they could steer the "bus" using that formula.

Mr. Herbert reported that he heard from a number of retailers that they would like to see more people in the audience and opined that a good target number would be 17,500. He noted that some retailers were sophisticated in terms of tracking their number of patrons, sales and average dollar per sale. Mr. Herbert suggested that based on those, a slight increase in the number was warranted. He opined that judging from the level of comfort that people had, the town could handle a few more people without having the number that was experienced two years ago.

Mr. Herbert advised Council that based on the parking data, he had a better handle on where people came from and noted that they came from California and the Carolinas up through Pennsylvania. He advised that the majority were from Virginia. Mr. Herbert reported that from the standpoint of visitor origin density, Washington, DC and Maryland both gave statistically significant numbers, with many of the attendees coming from Montgomery County. He noted that people came despite the increase in the parking fee. Mr. Herbert advised that he only received one complaint about the increase and noted that it was from a local resident. He further noted that his response was that if they were going to pay for the buses, barricades and other public safety items, the parking fee was warranted because (1) it was less than other events in Town and (2) the Town, MBPA and sponsors/advertisers could not pay all of the costs.

Mr. Herbert opined that, despite the lower visitor base, there was a high level of visibility for Middleburg and noted the number of website visitors. He advised Council that Christmas in Middleburg provided a positive message for people that the town was open, that they should come enjoy themselves and that good things would happen. Mr. Herbert opined that this promotion continued to give the Town good numbers and advised that they had almost 82,000 visits to their website.

Councilmember Miller inquired as to the time frame for those visits. Mr. Herbert reported that they occurred between October and the first half of December. He noted the social media push that occurred in December and January; however, he did not provide those numbers. He advised that coincidentally, he heard a comment from a restaurateur that he experienced great business through Christmas and into January and could not understand why business fell off in February. Mr. Herbert reiterated that they stopped doing promotions at that time; and opined that they probably helped the businesses.

Mr. Herbert advised that he looked at the event in terms of what did and did not work. He opined that the pedestrian barricades were a tremendous success and suggested they made everyone feel more comfortable. Mr. Herbert noted that they also presented a better visual as the photographs of the parade showed it to be orderly. He further noted that they prevented children from rushing out in front of the horses and mechanized vehicles.

Mr. Herbert reminded Council that advertising banners were sold for the barricades to help cover their cost. He reported that there were forty banners in total. Mr. Herbert noted that angel sponsors were provided a banner at no cost, with the other twenty-eight being paid banners. He advised that he received a great response to them from the advertisers who said "they helped get people off of the sidewalks and into their stores". Mr. Herbert suggested it was the Committee's job as the event organizers to get people into town. He opined that advertising in the event's program and other things were the responsibility of the retailers so they could get buyers off the street and into their stores. Mr. Herbert advised that the barricade advertisers felt they received a great return on their investment. He expressed hope to increase the sale of that product and capture more revenue to offset the event's expenses.

Councilmember Miller reported that a number of people, including local residents and visitors, said "they did not like the advertisements" as it made the event too corporate and blocked the view of small children.

Mr. Herbert noted that the Committee considered that, which was why they did not put a banner on two consecutive barricades. He reported that there was always an open spot. Mr. Herbert noted that the barricades were eight feet long and suggested the visitors only needed to move slightly to see. Councilmember Miller advised that it was difficult to move even a few feet with small children.

Mr. Herbert suggested this was something to consider for the future. He opined that the town had always had a viewing issue and suggested, especially now that Madison Street was closed, that consideration be given to renting bleachers. Mr. Herbert reported that people have complained that they came early to get a viewing point; however, they became over crowded when the crowds arrived or if they left to get food, their chairs did not hold their places. He reiterated his suggestion that bleachers be placed on Madison Street in order to provide elevated views. Mr. Herbert opined that they could also be placed between the Middleburg Bank and the post office. He advised that he did not know how many cross streets the Town would want to impede with bleachers and noted that it was already impeding South Madison Street. Mr. Herbert suggested that with Safeway's cooperation, bleachers could also be placed in their parking lot along the fence. He noted that the Committee could offset the costs of the barricades by selling banners for them. Mr. Herbert advised that they utilized four hundred fifty barricades; however, they only had forty banner covers. He opined that they did not provide that much coverage. Mr. Herbert acknowledged the need to be sensitive to the comments that were offered about the banners.

Mr. Herbert opined that the other change that worked well was the doubling of the shuttle bus capacity. He noted that this also doubled the expenses. Mr. Herbert advised that because of the advanced sales of the parking passes, when he saw the increase in revenues, he was able to increase the expenditures. He opined that in a lot of ways, Christmas in Middleburg was a different, upgraded version of the event. Mr. Herbert noted the public safety measures that were necessary and advised that the Committee found ways to afford them through the increased parking fee and sale of banner covers. He cited the balance sheet in his written report and noted that, for the first time, the event made money. Mr. Herbert suggested the need to consider further upgrades. He reported that some of their primary funding would not be available next year and explained that the Middleburg Business & Professional Association (MBPA) had alerted him that it would not be able to make its usual \$4,000 contribution, which would cut their retained earnings in half next year. Mr. Herbert noted that this occurred as the MBPA was doing other things in partnership with the Town. He suggested that if the Committee could increase the event's attendance to 17,000 people, the increased parking revenues would help offset the loss of revenue.

Councilmember Hazard questioned the number of extra cars that would bring. Mr. Herbert reported that the Mickey Gordon lot was never more than forty percent full, the Salamander lot was only sixty percent full and the Wilshire field on the west end of town was only fifty percent full. He confirmed the parking lots could handle additional cars.

Mr. Herbert advised Council that next year, the Committee would use some of this year's left over money to improve their website. He noted that the current one was not the intuitive platform that the Committee bought into. Mr. Herbert advised that they would also create three parking products, as opposed to one, so people could purchase passes for a specific lot. He noted that the parking pass receipt would also include a map and directions to the selected field. Mr. Herbert advised that some people by-passed the Mickey Gordon and Salamander lots, and parked at the Wilshire field, as they did not see the first two. He reported that the only operational feedback they received on the parking was that there was not enough signage. Mr. Herbert advised that they would enhance it next year, including the addition of exit road signage and directions to get out of town. He opined that the additional of details on the parking, including a map, should help smooth out the parking operations.

Mayor Davis inquired as to the percentage of parking passes that were pre-purchased. Mr. Herbert reported that of the one thousand three hundred total cars parked, nine hundred fifty were pre-paid. He advised that they promoted this on social media. Mr. Herbert reminded Council that last year, he was

nervous about the increased costs due to the rental of the barricades and the increased shuttle buses and advised that he promoted the advanced parking as he needed to see if the money would come in. He reiterated that they had a budget surplus for the first time. Mr. Herbert opined that if the surpluses continued for four or five years, they may be able to have enough to cover an entire year's budget. Councilmember Miller opined that this would be a good goal.

Mr. Herbert reported that he wrote down everything that needed to get done this year, which resulted in a five page plan. He suggested it was good as someone could follow it if needed.

Mr. Herbert advised Council that he did not presume the MBPA or Town would continue to be generous and suggested it was good to have a financial cushion to deal with budget realities. He opined that it would be great if the event could become self-sufficient at some point, which would allow the Town to use the funding it used for the event to promote the town twelve months of the year. Mr. Herbert expressed appreciation for the support the Committee received in the past; however, he noted that he was happy to discuss realities going forward. He reiterated that they have created products and suggested they were a great way to promote the town and create cash flow for the retailers. Mr. Herbert reported that many retailers told him "this was their biggest revenue day of the calendar year". He suggested the need to build product around the event's visibility, to provide high return on the investment of those who participated and to strive toward self-sufficiency.

Mr. Herbert noted the need to make some changes in the coming year. He reported that they would not be able to use the National Sporting Library & Museum as a staging point as the Library planned to be open that day in order to increase their visibility in the community. Mr. Herbert reported that he, Chief Panebianco and Councilmember Daly would work on a solution that would involve the use of Federal Street as a staging area for the walkers. He opined that it would be difficult to feed the walkers into the parade if they were staged at The Hill School. Mr. Herbert noted that they were also talking to Boxwood Winery to see if their property was a solution. He advised that while they did not have a plan in place, they were working on one.

Mr. Herbert opined that he and Chief Panebianco cooperated in great detail. He noted the coordination of when the Hunt was released, as well as its location and the detours needed to accommodate the parade. Mr. Herbert reported that Chief Panebianco coordinated securing additional public safety personnel, who were placed under his (Herbert's) command.

Mr. Herbert reminded Council that the length of the 2:00 p.m. parade was reduced and explained that this did not occur by eliminating elements but rather was done by working with them so they did not grow. He noted that at one point, the number of Corgis went from thirty to one hundred fifty and the number of dancers increased from twenty to one hundred twenty. Mr. Herbert advised that the number of muscle car groups increased from one to two, with the number of cars in each going from twelve to thirty. He reported that these were all cut back this past year, which allowed the length of the parade to be reduced from one hundred twenty-five minutes to ninety-five. Mr. Herbert advised Council that he had been told that the announcer was an energetic upgrade. He reported that there were four marching bands in the parade and noted that he had already received confirmation that they wanted to return. Mr. Herbert advised that Loudoun High School's band would like to come and noted that he was working to get Briarwood's. He noted that if their football team continued to play in December, the band could not participate in the parade.

Mr. Herbert reported that the Committee had held three committee meetings – one immediately following the parade, one in January and one this week. He opined that they were well underway for planning for 2017. Mr. Herbert noted that they were open to suggestions to make the event better for the Town.

Councilmember Leonard-Morgan questioned whether Mr. Herbert had people looking at license plates in order to identify their origins. Mr. Herbert reported that everyone who pre-paid for their parking pass had to identify their town and state. He advised that the other thing they did was to ask their Facebook viewers if they had a good experience during the event and where they came from. Mr. Herbert opined that based on the data provided by the nine hundred fifty pre-paid passes, he had actionable data that was statistically relevant. He noted that he always believed that forty percent of the attendees came from the area between Warrenton and Leesburg, with sixty percent coming from outside of the local area. Mr. Herbert advised that the data indicated that sixty percent came from east of Route 15 and thirty-seven percent came from within a fifteen mile radius.

Councilmember Miller questioned whether Mr. Herbert could take the data from the online purchases, including their billing address, to map the zip code locations. Mr. Herbert confirmed he could not as he did not have access to the credit card data. He explained that they used a third party vendor and advised that whatever data they captured on the credit cards was not visible to the Committee. Mr. Herbert advised that if the Town had the expertise, he was happy to share his Excel spreadsheet that contained the information from the people who answered his questions. He reiterated that he asked for their town, state and possibly zip code.

Councilmember Littleton noted that he had a program that would map the locations by zip code. He asked Mr. Herbert to send him his data. Mr. Herbert opined that all but twenty-five people answered the supplemental questions. He further opined that he had more than anecdotal data.

Councilmember Miller questioned whether the Committee had explored the use of the property where the Bank of Charlestown was located. Mr. Herbert reported that the owner would not allow them to use the property. He explained that the tenants kept their businesses open during Christmas in Middleburg and the parking was theirs under the terms of the lease.

Councilmember Littleton noted that there was \$78,000 in income from last year's event. He questioned how much came from donations versus revenue. Mr. Herbert reported that only \$1,500 was from donations and advised that this was from a single source. He noted that he did not treat the Town or the MBPA as donors but rather treated them as partners. Mr. Herbert reported that they received \$4,000 from the MBPA and \$9,000 from the Town. He advised that, with the exception of the \$1,500 donation from the Middleburg Hunt, the remaining revenue was from the products that were built and sold. Mr. Herbert opined that the Middleburg Hunt was dedicated to the event and noted that they felt awed when coming down Washington Street. He advised that they took it upon themselves to be ambassadors of the town and greeted people. Mr. Herbert further advised that they were thrilled by their involvement and came up with a \$1,500 donation to help mitigate the expenses.

Councilmember Miller inquired as to the number of riders in the Hunt Parade. Mr. Herbert reported there were one hundred forty.

Councilmember Littleton noted that Mr. Herbert indicated there were one thousand three hundred cars that were parked in the parking lots. He questioned the percentage of attendees who came by car. Mr. Littleton questioned how else people would get here. Mr. Herbert opined that if the Town residents walked, this would account for six hundred fifty of the fourteen thousand people.

Mayor Davis noted that people also parked at residents' homes as their guests. Mr. Herbert confirmed that a lot of people were invited to park on private property. He opined that the vast majority came in cars as there was no rapid transit in Middleburg. Mr. Herbert advised Council that they could contact him at any time with any questions they may have.

Presentation – Town Utilities Financial Report

Joe Mason, of Davenport, distributed information regarding the Town's Utility Fund. He noted Jim Herbert's goal to have a year's worth of expenditures as an emergency fund and suggested the Council should think about that for both the General and Utility Funds. He reminded Council that the fund balance in the General Fund was great; however, the Utility Fund was not there yet. Mr. Mason recommended the Council think about having six months to a year's worth of savings. He reminded Council that the middle part of the last decade, the Town experienced difficult financial times. Mr. Mason advised that it had done a good job of digging itself out of that and noted that it was helped by the opening of the Salamander Resort.

Page 3 – Historical Utility Fund Financials: Mr. Mason reminded Council that in 2006, the fund had a negative cash position. He advised that it was not generating enough income to properly operate the system and pay the debt service and noted that this occurred for several years. Mr. Mason explained that the rates were too low and/or the consumption level was low. He reported that this did change over time and advised that by 2014-2016, because of the increased consumption, the fund was generating positive debt service coverage. Mr. Mason reiterated that the Utility Fund was experiencing a positive trend and noted that its cash position had improved. He reported that it had been in the black since 2008. Mr. Mason reported that in 2015-16, the fund balance was inflated due to the bond proceeds that had not been expended. He noted the bond projects that were in the works that would work the cash balance down.

Page 4 – Existing General Obligation Debt Service: Mr. Mason reminded Council that the Town had roughly \$4.4 million in outstanding bond debt, the majority of which was utility debt. He noted that only \$150,000 was general government debt. Mr. Mason reminded Council of the debt restructuring that was previously done and reported that the utility debt profile looked like it should. He explained that utility debt should go out a long period of time and the debt service should be relatively flat, as opposed to General Fund debt, which should slope downward. Mr. Mason further explained that because utilities were long life assets, with some pipes remaining in the ground for up to one hundred years, the Town wanted to pay that off over a longer period of time so each generation that benefited from the system paid their fair share. He noted that this was why utility portfolios were as they were. Mr. Mason reiterated that the Town wanted to have a consistent level of debt service so the rates were not jumping up and down. He reported that the Town's utility portfolio looked as it should. Mr. Mason noted that the question was whether it had the capacity to do more, either by using cash or issuing additional debt.

Page 5 – Principal Payout Ratio: Mr. Mason noted that credit agencies did reports for utility systems around the country and advised that the median pay out for a utility system was forty percent. He reported that Middleburg paid 38.6% of its debt in that time frame; therefore, its debt was being shaped as it should be and was being amortized at the pace that it should.

Page 6 – Key Debt Ratios: Mr. Mason explained that in the realm of utility financing, debt limitations were not thought of in the same way as general government debt. He reminded Council that general government debt was compared to assessed values. Mr. Mason noted that large utilities had a contract with their bond holders to keep the debt service at a certain level. He explained that if the ratio fell near or below the limit, the utility would raise its rates until it reached that level. Mr. Mason noted that the utility must meet the level even after borrowing more money. He advised that while Middleburg had not issued public bonds, it still needed a rationale for how much debt was too much. Mr. Mason explained that the Town had two policies that did so. He reminded Council that the Town's general overall obligation could not to exceed five percent of the value of its assessed property. Mr. Mason advised that that policy covered all of the Town's debt. He noted that utility debt to the extent that it was covered by rates and charges, did not count against that limit. Mr. Mason reported that Middleburg was more conservative and required that all debt not exceed five percent; however, it was nowhere near that limit. He advised that the second policy, which was more important with regard to utility debt, was that the utility debt would not exceed twenty-five percent of its revenues minus availability fees.

Page 7 – Key Debt Ratio: Debt vs. Assessed Value: Mr. Mason reported that in 2016, the Town’s total debt in the General and Utility Funds was 1.37% of assessed value or a little over twenty percent of its credit line. He noted, however, that this did not necessarily mean the Town could afford the cash payments.

Page 8 – Key Debt Ratio: Debt Service vs. Revenues: Mr. Mason reported that as of 2016, the Town’s Utility Fund debt service compared to revenues was at the policy level, which suggested the Town did not have much debt capacity if the Utility Fund revenues continued at their current level. He advised that setting aside the issues of inflationary growth and the cost of running the system, this was okay and noted that the debt profile was flat. Mr. Mason explained that the reason the Town wanted this to be flat was because the revenue was flat. He advised that if the revenue grew, the Town could afford to do more with cash or debt. Mr. Mason noted that revenues would be static as long there was no drop off in consumption, which could happen as more people conserved water. He reminded Council that in the case of declining consumption, the utility rates must increase to keep the same level of revenues. Mr. Mason noted that there was nothing set about having a twenty-five percent limit and advised that when people asked how much it could afford to borrow, the answer was “as much as the rate payers are willing to pay”.

Page 9 – Capital Plans and Potential Funding Strategies: Mr. Mason reminded Council that during their last meeting, they started a conversation on the issue of cash versus debt. He further reminded them that a member suggested the Council brainstorm what it wanted to do, prioritize that and then figure out whether it should fund capital projects using cash, borrowing money or a combination of the two. Mr. Mason noted that this would be a useful exercise in developing the capital budget. He suggested that if the Council wanted to pay cash for its capital projects in the future, it could save money.

Mr. Mason opined that paying-as-you-go funding was good in that the Town would not pay interest or pay someone like him to issue the debt. He noted that it also did not put a burden on future generations. Mr. Mason advised that this was good in some cases; however, when it came to utilities, it was future generations who would benefit from the investments made today. He questioned why the current users should pay those costs. Mr. Mason advised that the cons against paying all cash were that the Town may not be able to keep its critical infrastructure up to standard or meet its mandated legal requirements. He further advised that there was no equivalent that said that when something expensive broke, the Town would have the cash to pay for it. Mr. Mason opined that putting the Town in an all-cash position would put it at risk. He further opined that growth opportunities could also be missed. Mr. Mason advised that squirreling more away for capital projects also put pressure on operations. He explained that if consumption declined, the Town must use its long term savings to balance the budget. Mr. Mason reminded Council that they could borrow from a bank or a public market, although he did not envision Middleburg would go to the public market on its own. He reiterated that it could access the public market through VRA, which it had done in the past. Mr. Mason advised that the good part of debt financing was that it accelerated infrastructure development, which might otherwise take years to do. He suggested that if the Town must save money to do it, it would be longer before the Town could get something done. Mr. Mason reiterated that it could also lose an opportunity. He cited the example of the Ridgeview neighborhood and noted that the water lines could be replaced at the same time as VDOT was paving the roads. Mr. Mason opined that the Town would not want to replace the water lines after VDOT resurfaced the roads as the Town would then have to repave the streets. He noted that the Town may have a cash solution now; however, it would not always be in that position. He noted that debt was a tool for when there was a mismatch between what needed to be done now and the available resources to do it. Mr. Mason explained that debt was a tool to allow that work to happen now rather than putting it off into the future. He reminded Council that Middleburg put off a lot of infrastructure improvements ten years ago as it did not have the financial wherewithal to do something; however, this was changing. Mr. Mason advised that as to the negatives on the generational equity, debt would create a fixed obligation. He suggested that Middleburg did not want to be the first local government in Virginia to default on its bonds

and reminded Council that it was close to that in 2006. Mr. Mason reiterated that the VRA public bonds included a pledge that if the Utility Fund could not pay the bond debt, the Council would raise taxes to pay it. He noted that VRA took a different security for utility bonds in that it took a water and sewer revenue pledge. Mr. Mason advised that if the Town could show a consistent coverage above 150%, which was above VRA's standard of 115%, it could pledge only its water and sewer revenues so VRA would not come after anything else. He noted that a revenue pledge created discipline for elected bodies and noted that the Council was good about raising its water and sewer rates. Mr. Mason advised that some jurisdictions got into annual political contests over raising rates; however, they had no choice if their contract with VRA or bondholders could compel them to do so.

Mr. Mason advised Council that he welcomed the opportunity to return to Council as they began to work on the Capital Improvement Plan (CIP).

Council Discussion – FY '18 Utility Fund Budget

Town Administrator Semmes noted that she and Councilmember Snyder would like to start with a review of the annual rate model. She further noted that the reason they were not able to give the Council this information ahead of time was they wanted to take an in-depth look at the rate model this year as the staff was seeing trends in that expected revenues were not being received. Ms. Semmes advised that the Town was experiencing a reduction in consumption and reported that this coincided with the national trend. She advised that the rate model consultant had been given the most recent consumption data and the model was updated using information from the most recent audits.

Councilmember Snyder reported that the Utility Committee also did an asset study. He explained that they were building the Town's assets into the rate model to ensure the Town was not suddenly surprised by the need to spend \$5 million to replace a water tower. Mr. Snyder reiterated that this information was now included in the rate model for replacement based upon the engineer's estimate of the useful life of the assets. He advised that he and the Town Administrator have struggled with the water revenues and expenditures. Mr. Snyder noted that the Town was building its reserves. He advised Council that when reviewing the rate model, they noticed that the two thousand gallon minimum charge was not keeping up with the per thousand gallon charge. He opined that over time, the Town was experiencing less guaranteed revenue in the Utility Fund. Mr. Snyder advised that they looked at an opportunity to adjust the minimum charge upward so the two thousand gallon minimum fee equated to the per one thousand gallon charge for two thousand gallons.

Town Administrator Semmes advised that while the Town had started to go in this direction, it had not gotten to where the revenues should be, which was seventy-five percent from the fixed rates (minimum) and twenty-five percent from the variable charges (per thousand gallon). Councilmember Snyder advised that this was not achievable with the Town's small customer base.

Town Administrator Semmes explained that they tried to be responsible and do what could be done to adjust the fixed rate so it would be a more rational percentage and equate to the per thousand gallon rate.

Councilmember Snyder noted that the same question applied for sewer. He reminded Council that water and sewer were two separate systems; therefore, they could look at them differently.

Town Administrator Semmes explained that the chart did not show a ten percent increase for next year. She further explained that the average increase for the minimum charge would be 5.3%. Ms. Semmes explained that this figure was based upon the average of the eight and two percent increases. Councilmember Snyder reported that the biggest increase would be on the smallest dollar amount.

Councilmember Littleton inquired as to the percentage of users that only paid the minimum charge. Town Treasurer Bott reported that it was approximately twenty-five percent.

Councilmember Littleton noted that the eight percent increase in the minimum charge would affect all of the account holders. He suggested that if an individual was only using one thousand gallons, their increase would be more than five percent.

Councilmember Snyder advised that his bill was usually the minimum. He opined that he was paying less per gallon than larger households and suggested they were subsidizing customers like him. Mr. Snyder suggested the need to flatten the price per gallon. He further suggested that, over time, the Council should look at whether it made sense to have a two thousand gallon minimum for two months or whether it should be increased to three thousand gallons. Mr. Snyder recommended it be at the prevailing amount per gallon. He suggested the Council do this if it thought it needed to prevent the base revenue from shrinking. Mr. Snyder advised that the point was not to gouge the smaller user, but to make sure there was adequate funding for the utility.

Councilmember Littleton explained that his questions were not related to funding the utility or the model. He noted that whenever there was a rate change, there would be “winners” and “losers”. Mr. Littleton opined that most people would not care; however, some percentage on the losing end would, even though this would probably only be about a five dollar per month increase. He suggested the Council be prepared with a message to explain the increase.

Councilmember Snyder noted that the Town was trying to mature the utility and make sure there was adequate funding, not just for operations and maintenance, but also for asset replacement and debt repayment, while providing the best value to the customers. He noted that this was the goal of the rate model and reported that another layer had been added, to include more precise data and the inclusion of asset replacement costs. Mr. Snyder noted that they also looked at the availability fees. He advised Council that the current fees dated back to his method of calculating them. Mr. Snyder reported that the proposed availability rates used the professional AWWA methodology, which would make them easier to defend in court if needed.

Mayor Davis questioned whether most homes had a three-quarter inch line. Town Administrator Semmes reported that the typical single-family home had a five-eighths inch line. Councilmember Snyder noted that the proposal was to eliminate the rate for one bedroom homes and opined that the Town no longer had those nor would any be built as this was not the standard.

Town Administrator Semmes advised that some user fees were proposed to go up and others to go down. She further advised that the proposal also included the adoption of updated availability fees. Ms. Semmes noted that the model included a chart that showed the projected rates for larger users to show the changes to a typical bill. She reiterated that the updated the model included some updated capital projects like the Ridgeview water line replacements. Ms. Semmes advised that based on the useful live of the plant’s membranes, the Town would likely need to replace those in 2020, with the cost being over \$500,000.

Councilmember Snyder noted that the West End Pump Station Replacement Project that was scheduled to occur later this year or early next year. He advised that the Utility Committee was looking at replacing the two- and four-inch water lines in Ridgeview with eight-inch lines. Mr. Snyder noted that the cost would be around \$500,000. He recommended the Council consider funding this through a combination of borrowing half from the General Fund reserves and paying half out of the Utility Fund’s cash on hand. Mr. Snyder suggested it made sense to do a combination with the General Fund reserves so the Town would not draw the Utility Fund down too far. He recommended the Town’s goal, after doing that project, be to look at the next fifteen to twenty year window to see what needed to be replaced. Mr. Snyder suggested the Council concentrate on building funds so they would be available for those items at that time.

Town Administrator Semmes reported that the rate model was conservative and projected zero customer growth. She noted that the Residences at Salamander could be built in the next couple of years; however, those availability fees were already paid. Ms. Semmes advised that they would be new customers.

Councilmember Miller inquired as to the average household's usage. Town Treasurer Bott reported that it was around one hundred fifty to two hundred dollars for both water and sewer for residential customers in terms of the dollar amount. She noted that the amount for businesses depended on the business.

Councilmember Snyder advised that the average customer used four to five thousand gallons every couple of months. He noted that the cost for two thousand gallons in two months would be around \$65-70 and advised that this amount would be double for four thousand gallons. Mr. Snyder questioned where the Council was going with this inquiry.

Councilmember Miller explained that he was trying to identify where the average user was relation to the minimum charge. Councilmember Snyder estimated they would be two to two and a half times the minimum.

Councilmember Littleton opined that the exact number was not important. He advised that he wanted the Council to be aware that for a regular increase, people would not worry; however, when they talked about an eight percent increase for the minimum charge, people would be upset. Mr. Littleton opined that the information being provided during this meeting was more than people would tolerate and suggested they would be frustrated with it. He reminded Council that the customers who were below the minimum would see an eight percent increase.

Mayor Davis noted that the average increase was five percent for water and sewer. She further noted that the minimum increase would be three dollars per bill. Town Administrator Semmes advised that the minimum increase for water and sewer combined equated to 5.3%.

Councilmember Miller advised that based on his usage of eight thousand gallons, his bill would increase by five percent.

Councilmember Littleton reiterated the need to have the right message for customers.

Councilmember Snyder advised Council that when he was first elected, when a water line broke, the Town lost water as it did not have valves. He noted that it had come a long way since then. Mr. Snyder advised that people used to come into the Council meeting with jars of dirty water.

Councilmember Littleton noted that he remembered having brown shirts because of the silt in the water lines. He opined that half of the people did not care to look back thirty years. Mr. Littleton suggested the need to arm the staff with a good, simple explanation so the customers would understand this was being done for their benefit.

Mayor Davis questioned whether the 3.5% increase was for the per thousand gallon customers. Councilmember Miller reiterated that his total bill would increase almost five percent as proposed.

Councilmember Snyder explained that they were proposing to increase the minimum charge to catch up with the per thousand gallon rate. He reported that after that, it was a three percent increase overall per year. Mr. Snyder opined that this was reasonable as it would be close to the cost of inflation. He suggested that if inflation was higher, the Council would have to increase the rates more as the Town's cost to run the system would increase.

Town Administrator Semmes reported that the model assumed the Town's operational costs would escalate by 2.1% per year, which was the industry standard for these models.

Town Administrator Semmes reviewed the first draft of the proposed Utility Fund Budget. She noted that water user revenues were shown to go down even though the proposal was to increase the rates. Ms. Semmes reported that the Town would not make the revenue projections for FY '17 and explained that they were over-estimated based on the rate model. She reported that the consumption had been adjusted down to account for that and advised that she felt better about the revenue projections for the coming year. Ms. Semmes reminded Council that the water tower lease revenues that came in were "gravy" and advised that the rate model looked at funding the operational expenses from the rate revenues. She explained that this was the goal; however, without the other revenues, the user rates would have to increase even more.

Councilmember Snyder noted that as technology changed over time, the water tower lease revenues would become a risk and suggested the need to be mindful of that. Councilmember Daly agreed that cell towers may not be a necessity in the future.

Town Administrator Semmes advised Council that companies were coming in with technology for small units. She noted that the Town also lost one lease contract when two companies merged; therefore, it lost revenue. Ms. Semmes explained that in order to fund the Ridgeview water line improvements next year before VDOT paved the streets, she included funding part of the expense through a loan from the General Fund. She noted that she assumed the Utility Fund would repay the General Fund, with two percent interest, in the future. Ms. Semmes reminded Council that the Town did not have to charge itself interest. She further reminded Council that Mr. Mason mentioned that they could consider this as the General Fund was in good shape. Ms. Semmes noted that the alternative was to borrow money from another source. Councilmember Snyder advised that this would have more of an impact on the rate model.

Town Administrator Semmes reiterated that she was proposing to pay for half of the cost through a General Fund loan and the other half in cash from Utility Fund revenues and existing money. She reminded Council that the Town was drawing down the remainder of the bond proceeds and opined that there would be less than \$275,000 of the bond money left to go into the West End Pump Station Project. Ms. Semmes noted that the engineer's estimate for the project was \$440,000 and advised that the difference must be made up from the revenues as well. She opined that the Utility Fund was in pretty good shape to get the West End Pump Station Project and the Ridgeview water lines done with the proposed rate increase. Ms. Semmes advised that the proposed budget included a \$35,000 contingency; however, she just found out that the Town had a couple of water tanks that were not covered under the existing maintenance contract. She noted that the Utility Committee would like to include those in the maintenance program. Ms. Semmes advised that one of those tanks was located at the Stonewall Water Treatment Plant and the other was a hydro-pneumatic tank that was a part of the Stonewall treatment plant. She noted that she would include these costs in the next version of the budget. Ms. Semmes advised Council that IES strongly recommended including these in a maintenance program.

Councilmember Snyder noted that if the Town had a utility asset that it was not maintaining, it would eventually lose it. He suggested the need to make sure the new tanks were maintained and kept in good operating condition so they would last.

Town Administrator Semmes reported that she had a conversation with representatives from VDOT earlier in the week about coordinating the water line project in Ridgeview with their paving schedule for next year. She advised that they were cooperative. Ms. Semmes reminded Council that by doing so, the Town would save money as it would not have to put a full pavement section over the water line cuts knowing that VDOT would be repaving the streets. Ms. Semmes noted that this was an opportunity to find efficiency while replacing the Town's infrastructure.

Councilmember Snyder reported that the Utility Committee discussed ramping up for this project and opined that they were on target. Town Administrator Semmes reported that the utility engineer had been authorized to work on the preliminary engineering report. She explained that the Town must determine the water pressure in the system with the new lines so the Health Department could approve and certify the design would work. Ms. Semmes advised that once the preliminary report was approved by the Health Department, the Town could begin the design work on the lines. She explained that the project must be designed just like the one on Washington Street, with the plans being approved by the Health Department and the project then put out to bid.

Councilmember Snyder reported that the Utility Committee was using the data from a study that was done in the early 2000's. He advised that the Committee wanted to make sure it was ready for the engineer to run the model, certify the data and send it to the Health Department for approval so the Town could begin to plan the project.

Councilmember Leonard-Morgan inquired as to the state of the rest of the water lines. He questioned whether there were other areas that would need replacement in the future. Councilmember Snyder confirmed there were; however, they were small in comparison. He reminded Council that two to three thousand feet of line was replaced in Washington Street, including that replaced due to the water pressure problems on the east end. Mr. Snyder further reminded them that the Town piggybacked onto the Washington Street Project to get the east end work done; with bond funds being used to fund it.

Town Administrator Semmes reported that all of the Town's lines on the east end of town were either six- or eight-inch. She advised that Ridgeview was the only area with old, small, undersized lines. Councilmember Snyder noted that there were two-inch lines in Ridgeview, many of which were galvanized pipe.

Vice Mayor Kirk noted that she had no water pressure. She further noted that her water was brown. Ms. Kirk opined that any work that was done in Ridgeview would help.

Councilmember Snyder advised that the Utility Committee would prioritize the installation of these lines. He further advised that they would look at the entire design in Ridgeview, as some areas did not have mains, but rather the system consisted of a lot of laterals that were connected.

Town Administrator Semmes noted that any eight-inch line that was installed would increase capacity.

Council Discussion – Establishment of Town Safety Program

Councilmember Snyder questioned whether it would cost more than \$2,000 in labor to save \$1,800 in insurance premiums.

Town Administrator Semmes suggested the Council needed to determine whether it was worth implementing the program from a safety standpoint and noted that this was part of the reason for doing so – not just to receive a discount. She questioned whether the Town should be doing this as a workplace.

Mayor Davis agreed with the need to promote safety in the workplace; however, she opined that what was proposed was overkill. She suggested the program be lessened.

Town Clerk North noted that she provided Council with a few sample sheets provided by the insurance company. She further noted that some of the thirty plus sheets did not relate to Middleburg. Ms. North suggested a Safety Committee meet once a year to review the items in the lists to determine whether anything needed to be addressed. She opined that if the staff was doing everything right from a safety perspective, the Committee would only need to meet once a year; however, this was probably not the case.

Councilmember Littleton expressed concern about the management duties that were listed and opined that this amounted to more than \$1,800 per year in costs. He noted the need for monitoring, measuring and a documentation system and opined that this could cost more than \$1,800. Mr. Littleton further opined that Councilmember Snyder raised a good point. He suggested the staff should know what good OSHA practices were. Mr. Littleton further suggested the staff be empowered to figure this out and put a plan in place with the resources that were available.

Councilmember Snyder noted that the Town's utility contractor did have a safety program in place.

Town Administrator Semmes suggested the Council adopt a resolution to empower the staff to come up with a program.

Councilmember Leonard-Morgan questioned whether this involved more than monitoring. He further questioned whether there were any perceived issues. Town Administrator Semmes reminded Council that OSHA could review the Town's facilities at any time.

Councilmember Snyder suggested the Council ask for a volunteer committee to look at this and ask for a recommendation as to whether it was worth pursuing.

Councilmember Leonard-Morgan opined that it was another certification for a professional town. Councilmember Littleton advised that it was not a certification for the Town but rather was for the employees with regard to workplace safety. Councilmember Leonard-Morgan opined that it was about showing that the Town was professional and treated its employees well.

Town Clerk North noted that if the Town employed linemen and labors who were working in pits, this would be much more valuable to the Town. She opined that because of the nature of Middleburg's operations, it was less valuable. Ms. North noted that she had experience in this area when she worked in Front Royal.

Councilmember Littleton opined that this should not be about saving \$1,800 and suggested the insurance savings was irrelevant. He opined that it was about balancing what was right for the Town.

Councilmember Hazard noted that most large companies had risk management departments, which the Town did not. He questioned whether VMLP had someone who could make some recommendations on what was reasonable for a small town. Councilmember Littleton questioned what other small towns did.

Councilmember Hazard noted that larger communities had a different pool of workers. He reiterated his suggestion that VMLP help identify what was appropriate for Middleburg. Mr. Hazard noted that the Town's premium was increasing due to accidents and suggested the cause of the accidents be addressed first. He questioned the accident that had caused the increase in the insurance premiums. Town Administrator Semmes advised that it was the accident involving the police officer who was struck by a car. Councilmember Hazard suggested that those types of things be looked at first.

Councilmember Littleton questioned whether the consensus of Council was that the staff should look for a balanced approach to this in order to satisfy the insurance company and get a premium reduction. The remainder of Council agreed.

Town Administrator Semmes noted that the Town Clerk already did so and advised that what was presented was simpler than the VMLP's sample program. She advised that the staff would, however, look at reducing it further.

Mayor Davis questioned whether what was proposed was what was required in order to get the rate reduction. Town Clerk North advised that the Town only need to show that it had a safety program in place. Town Administrator Semmes suggested the staff look at what other small jurisdictions have done. She reminded Council that the Town's rate classification was fine until the value of its utility assets put it in another category.

Council Discussion – Status of Wellhead Zone District Ordinance

Councilmember Snyder advised Council that he would like to get this ordinance moving and suggested that if it had not already occurred, there be a conversation between the Town Attorney and Town Planner. He reminded them that this involved a proposed ordinance to amend the zoning ordinance to adopt a wellhead protection overlay district in the areas around the Town's wells.

Town Planner Moore advised Council that there were some complexities to this item. He explained that the ordinance was shelved at the Planning Commission level at the suggestion of the staff, after talking with the previous Town Attorney. Mr. Moore opined that there were issues with using a zoning ordinance amendment to address what were good goals of protecting the Town's source water. He reiterated that he briefed the Committee on the Town Attorney and his concerns and suggested the goals be addressed through another means. Mr. Moore suggested that something that would encompass the entire town spoke to the need to address it through a general regulation. He advised that since that time, a few things have been worked on and noted that the Wellhead Protection Advisory Committee (WPAC) prepared a draft ordinance pertaining to hazard materials that contained maximum contaminant levels, which addressed some of the goals in the overlay district ordinance. Mr. Moore reported that he had begun to frame out some other goals that would be achieved by the proposed ordinance and looked at how they could be addressed. He opined that some would be best addressed in the Town Code as opposed to a zoning text amendment. Mr. Moore confirmed there were some things that should be addressed through zoning; however, he suggested those be done subsequent to the Comprehensive Plan update. He noted that some of the proposed goals, such as regulating the total impervious area that could be covered, would affect the ability to develop property.

Councilmember Snyder noted that the WPAC was concerned about the bottleneck and that what it wanted to get done was not moving forward. Town Planner Moore advised that from his perspective, the WPAC had a list of things to achieve. He opined that they placed priority on "checking the box" rather than doing this correctly, which he would not recommend.

Councilmember Snyder inquired as to what the Town Planner would recommend to the WPAC to get this moving along properly. Town Planner Moore advised that he had started to address some things. He noted that he would attend the next WPAC meeting to give the Committee an update on what he had done and what should be done.

Councilmember Miller suggested there was a tactical approach to address this problem. He agreed the Town needed to protect its source water; however, he suggested it needed to be addressed through a different means.

Town Planner Moore agreed and noted that the goals were good. He suggested, however, that the draft ordinance was not the way to adopt them.

Councilmember Littleton questioned whether the ordinance would create a wellhead protection zone that would be about protecting the Town's source water and would impose different kinds of limitations on the way land could be used that were currently not in place. He opined that what the proposed ordinance did was for all the right reasons. Mr. Littleton suggested, however, that it was a fundamental component of what the overall Comprehensive Plan needed to look like and needed to be structured into the Plan.

Town Planner Moore opined that that was a fair statement. He noted that there were things in the ordinance that needed to be done and suggested the Comprehensive Plan would support that or the Town could move forward with some individual pieces of the ordinance. Mr. Moore opined that there were things that needed to be done in the Comprehensive Plan before the goals could be addressed. He reiterated that there were things that could be tackled in the meantime. Mr. Moore noted that the ordinance talked about prohibitions on certain uses, such as auto related ones. He advised that those were currently allowed by special use permit only; therefore, this was not something that was urgent. Mr. Moore suggested that if someone applied for a special use permit that was on property in Wellhead Protection Zone 1, the permit could be denied.

Councilmember Miller opined that there was no urgent threat to require that this ordinance be moved forward in this manner. Councilmember Snyder opined that this was contrary to the science of ground water protection. He noted the need to look at a safety diameter around the wells and noted that the WPAC used the distance that was commonly accepted in Virginia by the scientific community. Mr. Snyder explained that the purpose of the ordinance was to make sure there was no storage of a contaminant that was so severe that (if spilled) it would disable the Town's entire water supply. He stressed that the proposed ordinance talked about whether the water would remain potable if things were ignored.

Town Planner Moore agreed. He advised that in terms of changes to the zoning ordinance, there was one thing that should probably be addressed quickly, that being the ability to do dry cleaning by-right. Mr. Moore opined that a zoning text amendment should be initiated on that right away and advised that it could be tackled quickly as it would not require a Comprehensive Plan amendment to support it.

Councilmember Snyder reminded Council that dry cleaning contamination was the reason the Town closed Well 1.

Town Planner Moore opined that it was worth having the Committee re-visit the maximum contamination ordinance, including what it was regulating and what the proposed ordinance would do. He suggested it may need to be revised and advised that he was happy to assist with that.

Councilmember Snyder noted that the next WPAC meeting was scheduled for April 18th. He questioned whether this would give the Town Planner enough time to prepare. Town Planner Moore confirmed he could have a framework available tomorrow.

Councilmember Hazard noted that this ordinance was forwarded to the Planning Commission in 2015. He suggested this item be placed on the action tracker.

Councilmember Miller suggested the WPAC pick one issue at a time to address and get that done.

Councilmember Snyder objected to putting the wellhead protection agenda on the action tracker and opined that the tracker was a waste of time. He suggested the Council could put this item on it if it wanted; however, he was not willing to divvy it up into small pieces to conveniently fit on the tracker.

Councilmember Littleton noted that this issue had lingered since 2015. He suggested the Council needed to take accountability to help the WPAC get this done and questioned how that was unreasonable. Mr. Littleton suggested it be placed on the tracker in the format and with a timeframe that the WPAC believed was appropriate.

Councilmember Snyder noted that the WPAC was an advisory board that only met three or four times a year. He advised that he was worried about making sure there was participation on that committee. Mr. Snyder noted there was a lot of work to be done.

Councilmember Miller opined that this was more of a reason to have this item on the action tracker so it could move forward.

Councilmember Littleton questioned whether the Committee needed to meet more often. Councilmember Snyder confirmed it did not.

Mayor Davis questioned whether Councilmember Snyder was asking that the Committee and Town Planner work together to come up with a reasonable time frame. Councilmember Snyder confirmed he was asking to work with the Town Planner. He suggested that, at some point, it made sense to bring in the Town Attorney on any implementation issues. Mr. Snyder further suggested this then move to the Council to address the legislation.

Town Administrator Semmes advised Council that the Town Attorney recommended against a wellhead zone district ordinance. She suggested there could not be zone over the entire town and opined that it was not done in Virginia. Ms. Semmes advised that the Town Planner was saying that pieces of the goals of the ordinance could happen. She suggested they work that out.

Councilmember Snyder advised that the Committee was not fixated on the language. He suggested that if it needed to be done in separate ways or the wording changed so it was not a zone, they were willing to entertain that. Mr. Snyder advised Council that the Committee would get with the Town Planner on this item.

Councilmember Daly questioned when the WPAC and Council would meet, following the WPAC meeting with the Town Planner. Town Clerk North noted that the Committee was scheduled to attend Council's April work session to present their annual report.

Councilmember Hazard suggested the need to prioritize things, such as on-site dry cleaning, which was allowed by-right. He opined that this was the biggest issue and suggested it be a priority.

Mayor Davis suggested the Committee and Town Planner discuss this item.

Town Planner Moore reiterated that some parts have been addressed. He suggested the need to square those up against the draft ordinance.

Councilmember Hazard suggested the need to know what things were keeping the Committee up at night. He further suggested the need to prioritize the list and get it taken care of. Mr. Hazard reiterated that this had gone on for two years, which was why he suggested it be placed on the Council's action tracker so it could be looked at once a month. He noted that it would serve as a reminder that this must be taken care of as it was critical. Mr. Hazard agreed it should not be in this form.

Councilmember Miller noted that this was the WPAC priorities; however, he opined that they needed to be handled in a different manner.

Town Clerk North opined that the only reason this item was addressed in the manner in which it was was that the former Town Planner did not want to address it himself and instead asked the Committee to write the ordinance and forward what it wanted to him. She advised that the draft was almost finalized when the current Town Planner began work with the Town. Ms. North noted that he did attend a WPAC meeting and offered some tweaks to the ordinance; however, the ordinance was well down this path before his tenure began.

Discussion

Councilmember Littleton suggested that if the numbers for Christmas in Middleburg were going to be published, the Town should work with Jim Herbert to make sure they were right. He noted that Mr. Herbert indicated they parked one thousand three hundred cars and advised that based on the visitation number of fourteen thousand people, this meant there would have been ten people per car.

Councilmember Hazard noted that Mr. Herbert was only reporting on the number of cars in the event lots. He opined that there were probably five hundred cars parked at the Salamander Resort lot, as well as the school and other parking areas.

Councilmember Miller noted that he thought the same thing as Councilmember Littleton. He advised that at four people per car, there would be three thousand five hundred people based upon the number of cars parked. Mr. Miller suggested this did not make sense.

Councilmember Littleton questioned where the other two thousand cars were going. He noted that he was not saying the numbers were wrong. Mr. Littleton reminded Council that Mr. Herbert reported business revenues based upon each person spending seventy-five dollars and noted that everyone had to make a purchase.

Mayor Davis advised Council that the attendance numbers came from drone pictures of the parade route. She noted that the number was calculated based on the count per square inch.

Councilmember Littleton advised that he asked Mr. Herbert how he got the number and was told that he and the Chief counted people behind the barricades and multiplied it out. He further advised that he would be happy to sit down with Mr. Herbert to figure out a methodology for calculating the size of the crowd. Mr. Littleton suggested that numbers with which the Council was not comfortable not be put out on the website and noted that they were published on the Town's website and in its newsletter. He opined that Mr. Herbert was representing the Town when he said "Christmas in Middleburg".

Councilmember Daly agreed with the need to check the methodology.

Mayor Davis suggested that Councilmember Littleton contact Mr. Herbert. Councilmember Littleton agreed to do so. He noted that Mr. Herbert indicated that Christmas in Middleburg was the biggest day of the year for merchants; however, the business owners were saying that "Small Business Saturday was their biggest day". Mr. Littleton opined that no one was doing anything bad; however, he suggested the need to make sure the record was correct.

Councilmember Littleton noted that the economic development survey was conducted and the Middleburg Futures Group would meet next week. He reported that their nine members had been interviewed by the facilitator. Mr. Littleton opined that there had been good feedback and noted that they now had a detailed agenda. He reiterated that the facilitator met with those who would be part of that group. Mr. Littleton advised that so far, eight hundred survey responses have been received to date.

Vice Mayor Kirk opined that the survey only fit people who did not live here. Councilmember Littleton explained that the reason the survey was drafted as it was was because he wanted everyone to answer the same questions to see if local residents had different views than the visitors. He suggested there may be a need for two different messages.

Vice Mayor Kirk reiterated that the survey was geared more for visitors, not people who lived here. Councilmember Miller agreed it was not done in such a way as to take different people down different paths. He suggested that could be done in the future and noted that this one was done to secure information in a quick, easy way.

Councilmember Littleton advised that in looking at the results so far, some of the metrics were very surprising. He explained that there was a divide between those who lived close by and those who lived far away as to what they thought about the town and what drew them here.

Councilmember Littleton noted that he received an email, including photographs, from an unidentified individual who lived on Jay Street. He distributed copies of the photographs, which depicted shredded tarps on the roof of the Asbury Church. Mr. Littleton advised that the individual's comment was that "he had lived with this for over a year and that if it could not be resolved in the next two months, he was bringing everyone he could to a Council meeting". He suggested that if nothing else, the tattered tarps be removed from the building and noted that they were not keeping out any rain water. Mr. Littleton reiterated that if the tattered tarps were still there in May, this individual was bringing people to the Town Council meeting.

Town Clerk North advised Council that the Town Attorney had given her two forms that could be used to disclose a conflict of interest. She noted that one form was for a conflict in which the member could still vote and the other was to declare a conflict in which the member was disqualified from voting. Ms. North explained that by completing the form and turning it into her, the member would be protected in the event someone complained about a conflict of interest. She noted that the member would still need to verbally disclose the conflict at each meeting. Ms. North advised Council that she would send them an electronic version of the forms so the members could use them when they had a conflict of interest. She noted that the staff would be happy to assist them should a question arise. Ms. North reminded Council that the Conflict of Interests Act identified the criteria for a "conflict of interest". She noted that she would also share this with the Planning Commission, HDRC and BZA.

The Council held some discussion as to what constituted a conflict of interest. It was noted that there was a floor as to when a member must declare a conflict; however, they could always go beyond that and declare one if they felt it was necessary.

Councilmember Leonard-Morgan noted that the Police Chief sent him a note, as the Council representative on Go Green, that Drug Take Back Day would be held on April 29th. He reminded Council that last year, Go Green collected used batteries as a part of the event and advised that he agreed to do so again this year. Mr. Leonard-Morgan noted that he was working to do this on a small scale. He suggested the Town advertise this event.

Councilmember Snyder noted that he had saved ten to twenty batteries for recycling.

There being no further business, Mayor Davis declared the meeting adjourned at 8:23 p.m.

APPROVED:

Betsy A. Davis, MAYOR

ATTEST:

Rhonda S. North, MMC, Town Clerk