



MIDDLEBURG TOWN COUNCIL Regular Monthly Meeting Minutes



Thursday, March 8, 2018

PRESENT: Vice Mayor Darlene Kirk
Councilmember J. Kevin Daly
Councilmember Philip Miller (arrived late)
Councilmember Peter Leonard-Morgan
Councilmember Trowbridge "Bridge" Littleton
Councilmember Mark T. Snyder

STAFF: Martha Mason Semmes, Town Administrator
Martin R. Crim, Town Attorney
Rhonda S. North, MMC, Town Clerk
Ashley M. Bott, Town Treasurer
A.J. Panebianco, Chief of Police
William M. Moore, Town Planner
Jamie Gaucher, Business & Economic Development Director

ABSENT: Mayor Betsy A. Davis
Councilmember Kevin Hazard

The Town Council of the Town of Middleburg, Virginia held their regular monthly meeting, beginning at 6:00 p.m. on Thursday, March 8, 2018 in the Town Hall Council Chambers, located at 10 W. Marshall Street. Vice Mayor Kirk led Council and those attending in the Pledge of Allegiance to the flag.

Public Comment

DeeDee Hubbard announced that she was planning to hold a Meet the Candidates Night for the Mayoral candidates on April 11th and for the Town Council candidates on April 9th at the Community Center. She noted that she was still working to nail down the time; however, she expected it would occur around 7:00 p.m. Ms. Hubbard advised that each candidate would be allowed to make a statement and that they would then answer questions, which she would look for beforehand. She asked that the candidates put this on their calendars.

Approval of Minutes

Councilmember Snyder moved, seconded by Councilmember Daly, that Council approve the February 8, 2018 Regular Meeting and February 22, 2018 Work Session Minutes as amended.

Vote: Yes – Councilmembers Kirk, Daly, Leonard-Morgan, Littleton and Snyder

No – N/A

Abstain: N/A

Absent: Mayor Davis and Councilmembers Hazard and Miller

Staff Reports

Councilmember Littleton noted that the Fire Marshall inspected the Town's plant and found two minor deficiencies. He inquired as to what they were.

Stuart Will, of IES, noted that the fire extinguishers were inspected and recertified annually; however, one was missed. He advised that even though it was still good, the inspector wanted it to be rechecked. Mr. Will reported that the other deficiency was an emergency exit light was that inoperative. (Councilmember Miller arrived at the meeting at 6:03 p.m.)

Town Administrator Semmes reported that with regard to the Middleburg Community Charter School, the Loudoun County Board of Supervisors' Finance Committee would receive a report from the staff that outlined the implications to the County should the Charter School property be surplus to them. She noted that she planned to attend the meeting on March 13th when this would be discussed. Ms. Semmes advised that two members of the Committee – Chairman Randall and Supervisor Bona served on both the Finance Committee and on the joint School Board/Charter School Committee that would meet on this matter on May 4th. She noted that the Town would not be able to speak and advised that she would attend for information gathering only.

Town Clerk North reported that the members had a copy of the latest Council Action Tracker on their desks. She reminded Council that Jeff Stodghill, of PMA Architects, was present to present the results of the space needs study to the Council. Ms. North advised that as to the electronic agendas, Granicus training was scheduled with the staff beginning next week.

Councilmember Snyder noted that he was pleased to read that the Virginia Department of Health had selected Middleburg as its case study for wellhead protection.

Business & Economic Development Director Gaucher advised Council that his monthly report now included greater specificity with regard to local businesses. He noted that Councilmember Miller asked for specificity around where projects were in the pipeline and advised that the report also included a new category, entitled "project status". Mr. Gaucher explained that projects that were listed as "very interested" were ones in which he anticipated a decision being made in the next thirty days and that could become a reality, as opposed to being mildly interested or in the early stages, the latter of which would require a great deal of work.

Business & Economic Development Director Gaucher reported that he received an email earlier in the day from the Town Attorney that laid out the three step-by-step plan for the Town if it was interested in divesting itself of any Town property. He advised that more details would be provided to the Property Committee and to the Council in a work session in two weeks.

Business & Economic Development Director Gaucher reported that the review committee that was assembled to review the proposals for a new brand for Middleburg had authorized him and Councilmember Miller to negotiate with the top ranked firm, which they were doing.

Business & Economic Development Director Gaucher reported that during the last EDAC meeting, he was charged with developing an economic impact review around the potential incentives that could be connected to the Town's tourism zone ordinance. He reminded Council that the ordinance had placeholders for incentives; however, no decision had been made on them. Mr. Gaucher advised the Council that EDAC looked at the options and made a decision on the set they favored. He reiterated that he was reviewing the impacts to the Town and the businesses if they were enacted.

Councilmember Littleton inquired as to what was meant by "estimated start". Business & Economic Development Director Gaucher advised that it was when something came across his desk.

Councilmember Littleton recommended it be changed to “initiated” as he thought estimated start was related to when the business would start. He questioned whether that should be listed. Councilmember Snyder suggested it be handled in the notes.

Business & Economic Development Director Gaucher opined that if a project was five hundred days old, it was not a real project.

Councilmember Miller suggested it be removed from the list if no progress had been made in six months. He further suggested the staff not devote time to such a project.

Councilmember Leonard-Morgan inquired as to the ideas for incentives. Business & Economic Development Director Gaucher advised that he presented two options, as well as examples from two communities in Virginia and elsewhere that used them. He reported that EDAC focused on Option B, which included a graduated refund or exemption of fees/taxes paid to the Town.

Councilmember Leonard-Morgan questioned whether they would only apply to new businesses. Business & Economic Development Director Gaucher reported that they would apply to new businesses and existing businesses that wanted to expand. He noted that they have not gotten to the characteristics of the type of business to which they would apply. Mr. Gaucher reported that he and the Town Treasurer were working on scenarios of what would happen if they went into effect and if every business in town claimed an exemption. He advised that the recommendation would come to the Council with that data so the members could make an informed decision.

Councilmember Leonard-Morgan suggested the need to appreciate those businesses that have been here through thick and thin. Business & Economic Development Director Gaucher advised that he was always sensitive to the precedent something would set. He noted the need for data so the Town could see how what was proposed would look like in the business community.

Councilmember Snyder questioned whether the Business & Economic Development Director had looked at the disparities between the commercial zones, in particular the C-2 and C-3 Districts. He noted that he had thought of expanding some of the protections that were given to the businesses in the C-2 District to the C-3 District to make it easier for new businesses to expand into it.

Business & Economic Development Director Gaucher confirmed he was not there yet; however, he was looking at whether it made sense to target specific areas of the town. He questioned whether more energy/focus should be on spurring development on Federal Street by offering incentives or whether it should be offered for the entire town.

Councilmember Snyder noted that the Town waived the parking requirements in the C-2 District for restaurants and retail and suggested it made sense to extend the waiver into the C-3 District. He reminded Council that the C-3 District consisted of mostly Federal Street, which was where the Town was steering new development.

Councilmember Miller recommended the incentives not be so difficult that they could not apply in the future. He further recommended they be flexible. Mr. Miller suggested that another option was a grant for buildouts; however, he noted that it would mean money would go out the door as opposed to being invested over a three year term of a growing business.

Councilmember Littleton noted that there were many levers. He reminded Council that locating a business on Washington Street was not risk free; however, it was less risky than on Federal or Madison Streets. Mr. Littleton reiterated that there were many different factors and suggested the staff must get deep into the weeds.

Business & Economic Development Director Gaucher noted the need for structure around the incentives, including evaluation criteria and standards – all of which must be objective.

Town Planner Moore reminded Council that last month, he reported on applications that were filed for a zoning map amendment and special use permit for an assisted living facility on the east end of town. He reported that subsequent to that meeting and following some correspondence to the applicant, the applicant requested and the Planning Commission tabled action on those items. Mr. Moore explained that this meant the Commission was not forced to act on them within a certain timeframe. He advised Council that the applicant understood the Town's concerns about the lack of a Comprehensive Plan reference and agreed to wait out the update process.

Town Planner Moore reported that February was a busy month. He advised that he started enforcement regarding a short-term rental; however, he had not received a response from the owner. Mr. Moore acknowledged that the letter just went out last week.

Councilmember Littleton inquired as to how the staff found out about the short-term rental. Town Planner Moore reported that he periodically monitored Airbnb and other such sites. He further reported that within a half an hour of seeing it on one of those sites, he received a citizen complaint. Mr. Moore noted that the listing had been up for a month.

Councilmember Leonard-Morgan questioned whether the owner was aware that a special use permit was needed. Town Planner Moore advised that this was unknown. He reiterated that he initiated the enforcement procedure and reminded the Council that he must go through the process of sending a certified letter. Mr. Moore advised that he had not yet received a receipt indicating the owner had received the letter.

Vice Mayor Kirk urged the members of Council to look at the financial reports and to ask questions. She noted that she spoke with the Town Treasurer at least once a month. **Town Treasurer Bott** reported that other members have done so as well. She noted that she tried to make comments on items that were unusual.

Councilmember Littleton questioned whether the water and sewer revenues were up because of the rate increase or because usage was up. Town Treasurer Bott reported that it was a combination of the two.

Councilmember Littleton questioned whether the staff had heard anything on the bank franchise fee. Town Treasurer Bott reported that the number was lower. She advised that it was still based on deposits. Ms. Bott recommended the bank franchise fee revenue be kept at the amount projected and reminded Council that the Town had no control if customers changed their bank.

Chief of Police Panebianco reported that the new IBR reporting system was operational and was functioning well. He noted that they have had to tweak a few things and advised that the department was getting into the available options, some of which must be activated. Chief Panebianco reported that it contained options that the department did not use previously and opined that the staff was doing well using them. He opined that the Town benefitted by going with Southern Software, which was the same firm the Town used for its financial software. Chief Panebianco noted that his monthly written report may change a little as he could not produce it in the same format; although, he may do it manually so it could remain the same. He noted that he had not seen the full report; and, advised that the concept was four pages long. Chief Panebianco opined that it would be better if it was condensed and reiterated that he may do so manually. He advised that the calculations were being done differently. Chief Panebianco reported that the daily reports were now being done digitally, as opposed to being hand written.

Chief Panebianco noted that the schools were an area of a concern for people and reported that he kept a strong connection with both schools that were located in the town. He reported that due to all of the attention that was focused on schools over the last couple of weeks, he paid more attention to them, including performing tests of their emergency services plans. Chief Panebianco reported that he met with officials from The Hill School to make sure each side understood the other. He noted that the Middleburg Academy also reached out to him to see what he did.

Councilmember Miller opined that the Board of Supervisors was taking up the issue of safety as well, including securing the schools. He suggested this was something the Town should look into as well.

Chief Panebianco noted that without going into detail, even with the best plan, things relied on someone that wanted to change them and how easy it would be to access them. He advised that it would always be a reaction, as opposed to prevention, as those that were serious enough were not caught until something happened.

Councilmember Miller noted that there were things that could be done to fortify the buildings to make them a hard target, as opposed to a soft one.

Chief Panebianco opined that there were good plans for both schools, not only for what happened in FL, but for any situation such as weather. He reiterated that the plans were all tested. Chief Panebianco reported that there would be an upcoming surprise test for the public school to see how well things functioned. He noted that radios were purchased for the school and advised that he had one as well so they could communicate if needed during the day. Chief Panebianco reported that the radio would be with him or whoever was working during the day.

Councilmember Littleton questioned whether there had been discussions about what the County would do for the Charter School. He further questioned whether they provided security for them.

Chief Panebianco confirmed they did. He noted that he met with their security supervisor and advised that the same safety precautions were taken at the Charter School as were taken at the other public schools. Chief Panebianco reminded Council that it was a very old school, which was better in some ways and not in others. He reported that their doors were steel and were locked all day.

Councilmember Miller noted that while the door was steel, the windows were glass. Chief Panebianco advised Council that he was looking at whether there was any federal money available that could be used to fortify schools and opined that some were coming. He noted that any requests would have to be written through Loudoun County as they owned the school. Chief Panebianco advised that the Police Department would do what it could to give them services and would go into the school if needed.

Councilmember Leonard-Morgan noted the HEAL Expo that was scheduled for March 24th. He questioned whether the Chief was happy with those plans. Chief Panebianco confirmed he was and advised that they were similar to last year's. He noted that he told his staff to make sure the runners turned at the proper location. Chief Panebianco advised that it was the same route as last year. He reminded Council that the plan changed mid-stream last year, which threw things off; however, they had a better plan this year. Chief Panebianco reported that they would be closing the street so no traffic could go past the library or Pendleton Street as the race came out of Salamander. He explained that the traffic would be stopped and nothing would be allowed to move in the area when the runners were running. Chief Panebianco reported that he and two officers would be working that day.

Councilmember Leonard-Morgan questioned whether it was unusual to have two felonies in a month. Chief Panebianco confirmed it was not and advised that sometimes there were more. He reported that Officer Jason Davis was the officer on these and advised that they involved one incident with two counts. Chief Panebianco noted that the number of felonies occasionally went up and down.

Councilmember Leonard-Morgan thanked the Chief for keeping traffic square on the east end of town. Chief Panebianco noted that the officers were working both ends. He reported that their tolerance was very low for traffic entering and exiting the town. Chief Panebianco opined that they had a fair, lenient number that they used when writing a ticket. He explained that while he would not say what the tolerance number was, the number had been lowered for when a vehicle would get a ticket.

Vice Mayor Kirk noted that she was recently run off the road by someone who was passing on the double yellow line. Chief Panebianco noted that the same thing happened to him as he was going home one day and he was in a police car. He reported that he pulled the individual over and they “had a meeting of the minds”.

Councilmember Leonard-Morgan noted that he called the Police Department after he witnessed a motorist who was “flying” down the road in the pouring rain. He advised that an hour after that, the officer was there doing traffic enforcement.

Chief Panebianco noted that he spoke with the children at the Middleburg Academy about driving safely. He advised that the officers tried to educate drivers; however, sometimes it came with an autograph.

Town Attorney Crim reported that the charter amendment was awaiting the Governor’s signature and that he had been working with the Town Administrator on how to properly notify the businesses about the personal property tax. He further reported that the Governor signed the consolidated billing law and noted that the County had the fully endorsed agreement with the Town. Mr. Crim advised that town citizens would receive a single tax bill for their real estate as opposed to two separate ones and would pay it through the County. He noted that collection efforts would also go through the County.

Town Attorney Crim noted the VML Action Alert encouraging localities to contact the Governor’s office regarding the wireless bills. He acknowledged that Councilmember Littleton had already done so. Mr. Crim opined that these were bad bills. He noted that ever year, the General Assembly took away more and more authority from local governments.

Town Attorney Crim reported that he had been working with the Town Administrator on the contract for consulting services with Suez (formerly GE) for the wastewater treatment plant. He further reported that he worked with her on some points regarding the Employee Handbook. Mr. Crim advised that he prepared a deed of easement with Llewellyn Village for the West End Pump Station, which would allow for an additional access easement and a storm water management easement. He noted that the Town Administrator was sending the deed to Llewellyn Village for their signature.

Councilmember Snyder opined that this was good to hear and noted that the West End Pump Station Project needed to move forward.

Reports of Town Committees/Council Liaisons

Councilmember Leonard-Morgan reported that Go Green met the previous night. He further reported that they raised concerns about the enforcement of businesses who failed to remove snow and ice from the sidewalk. Mr. Leonard-Morgan advised that this was an issue recently on Washington Street when some businesses did not do so. He questioned the procedure for getting businesses to comply with the ordinance.

Town Administrator Semmes reported that the Town normally acted on a complaint basis. She noted that the Facilities & Maintenance Supervisor heard of the issues and acted on them. Ms. Semmes opined that it was a question of how quickly the snow/ice would melt and when the Town should do enforcement.

Town Planner Moore noted that in the case cited by the Town Administrator, the Facilities & Maintenance Supervisor did proactively respond as the Town received a couple of complaints about a high pedestrian traffic area. He advised that rather than fight with the tenant, the Supervisor took care of the problem so there would be a safe situation. Mr. Moore noted that he had mixed feelings about that as he wanted residents and visitors to have safe walking conditions; however, the Town did not want to shovel the walks when it was the business' responsibility.

Councilmember Leonard-Morgan noted that Go Green thought, if the Town had the capability, that it could remove the snow/ice and charge the business owners. Town Planner Moore confirmed the Town did not have the capacity to offer that service. He noted that it would have to be built into the budget and the Town would have to make sure it had contracted help available to do the removal.

Councilmember Leonard-Morgan noted that the concern was if something happened to someone.

Vice Mayor Kirk noted that the Town could cut tall grass and bill the owner back for doing so. She questioned why it could not do the same for snow/ice removal.

Town Planner Moore reminded Council that the Town Code already contained that provision; however, the snow/ice must sit for a certain period of time before the Town could remove it and bill the owner. He suggested that a better approach was to reach out to the businesses prior to the next winter to remind them that this was their responsibility.

Town Administrator Semmes advised Council that a notice was included in the last newsletter.

Vice Mayor Kirk noted that winter was not over yet.

Vice Mayor Kirk reported that the Ad Hoc Property Committee was continuing to meet. Town Administrator Semmes noted that they would offer a report during Council's March work session.

Action Items (non-public hearing related)

Council Approval – Proclamations – Local Government Education Week & Arbor Day

Councilmember Snyder moved, seconded by Councilmember Daly, that Council adopt a proclamation declaring April 1-7, 2018 as Local Government Education Week in the Town of Middleburg. Councilmember Snyder further moved, seconded by Councilmember Daly, that Council adopt a proclamation declaring April 28, 2018 as Arbor Day in the Town of Middleburg; and, urging all citizens to celebrate Arbor Day and to support efforts to protect our trees and woodlands.

Vote: Yes – Councilmembers Kirk, Daly, Leonard-Morgan, Littleton, Miller and Snyder

No – N/A

Abstain: N/A

Absent: Mayor Davis and Councilmember Hazard

Council Approval – Resolution Adopting Employee Handbook

Town Clerk North reminded Council that they agreed to go with a \$200/month health insurance benefit for retirees. She further reminded them that the retiree would no longer be required to participate in the Town’s plan to get the benefit. Ms. North advised that the Town Administrator questioned what would happen if the retiree’s out-of-pocket costs were less than \$200. She suggested that if this was a concern, it could be addressed by adding the phrase “up to” in the language. Ms. North noted that this would require the Town Treasurer to track each retiree’s out-of-pocket expenses.

The Council opined that the cost to have the staff track this information would be more than the savings and agreed to give the retirees \$200/month regardless of their out-of-pocket costs.

Councilmember Daly moved, seconded by Councilmember Snyder, that Council adopt a resolution adopting the Town of Middleburg Employee Handbook dated March 8, 2018 and setting the effective date of the new retiree health insurance benefits as the date of adoption of this resolution.

Vote: Yes – Councilmembers Kirk, Daly, Leonard-Morgan, Littleton, Miller and Snyder

No – N/A

Abstain: N/A

Absent: Mayor Davis and Councilmember Hazard

Discussion Items

Presentation – Space Needs Study Report

Jeff Stodghill, of PMA Architects, advised Council that he was two-thirds of the way through the analysis and opined that he was at a good point where he could bring the report to them so they could discuss what the Town’s needs looked like and how he arrived at the results. He reminded the members that the next piece would be to identify sites for review. Mr. Stodghill advised that he would then return with physical layout concepts for how to meet the Town’s space needs on the sites. He noted that a handout was placed on the members’ desk. Mr. Stodghill advised that it contained a lot of numbers and noted that he would go over how they were developed.

Mr. Stodghill advised Council that the study was detailed; however, he would not drag them through the detailed numbers. He noted the need to figure out how much space was needed and what was driving the needs. Mr. Stodghill explained that the benefit of this approach was that the Council would be able to see from where the needs were derived.

Mr. Stodghill reported that he had over thirty years of experience and had done a lot of studies that were implemented into construction projects. He explained that he approached this on the basis of what was needed if the Town moved ahead and built a new building. Mr. Stodghill noted the need for the offices to be furnishable and to work.

Mr. Stodghill reviewed the objectives, the first of which was to inventory the Town’s existing spaces. He reported that he laser scanned the Town Office building, the Police Department office space and the Health Center building, which provided a good inventory of those spaces. Mr. Stodghill advised that he then projected the Town’s space needs over a five, ten and twenty year basis, which was done based on experience and by looking at positions. He explained that the best process for looking at the positions was to talk to the employees who were doing the work to figure out how they worked and their needs. Mr. Stodghill noted that this enabled him to determine a good space planning standard for the offices and to identify what was driving the Town’s needs. He advised that he was not just putting numbers on a chart and reiterated that the analysis was based on needs.

Mr. Stodghill reiterated that he measured the Town's existing buildings, interviewed the staff and learned that the Town was not expecting dramatic growth. He noted that the existing Town Office space was constrained as it was located in a circa 1960s facility and contained no space to add staff. Mr. Stodghill reported that in the outer years, the Town may experience a need to add a personnel position. He reiterated that this was discussed with the staff and, based on those discussions, he identified planning standards, which were matched to offices, allowing him to identify the space needed for each position. Mr. Stodghill advised that this led to the projections based on the current space needs, the needs in five years and the needs in ten years. He opined that while the staff would know what was most likely to be needed in the next few years, ten years was more of a guess and twenty years was an unknown. Mr. Stodghill reported that based on the presumption that there would not be a lot of housing growth in Middleburg, the issue was to right size the operation for where it was at the moment, which was where he focused his analysis. He noted that the analysis identified where the Town currently was with regard to space, as well as what was needed based on the projection of growth. Mr. Stodghill reiterated that the next steps would be to look at the concepts and to provide the final report on implementation, which would include a sequencing plan and a budget.

Mr. Stodghill reported that the space standards were built around the geometry of how people worked today. He advised that some only needed a u-shaped office and some required privacy. Mr. Stodghill displayed a drawing of the largest office proposed and noted that it would be appropriate for the Town Administrator. Mr. Stodghill advised that it was larger than the current office and explained that the reason was that it provided for meeting space so the Administrator could meet with the public, staff and/or members of Council; and, noted that it was typical for CEOs.

Mr. Stodghill reported that the space needs included conference rooms and noted that everyone he spoke with identified the need for both a small and a large conference room. He recommended the small one be located in the front, immediately off the lobby, so citizens could easily meet with the staff. Mr. Stodghill reminded Council of the current problem in that one person captivated the entire staff and all other work ceased. He suggested that in order to solve this, he envisioned the kind of facility that would work better; and, opined that having a small conference room off the lobby would allow the Town to conduct business, while the remainder of the staff continued to work.

Mr. Stodghill displayed a chart, which identified the calculations of the space needs. He noted that the first thing on the list was the Town's positions; with the support spaces, such as restrooms, conference, copier and lunch rooms being located in the middle. Mr. Stodghill explained that he identified the projection of space needs for personnel and included a column identifying the staff members' existing area sizes, as well as the space standard. He cited as an example that the Town Administrator currently had 141 square feet of office space; however, he projected that 280 square feet was needed. Mr. Stodghill advised that the chart included a column that represented how many positions were currently needed, as well as how many would be needed in five and ten years. He reported that the results showed the need for 2,500 square feet of office space currently for personnel, with 2,800 square feet being needed in ten years. Mr. Stodghill noted that the column identifying the current office space per position was color-coded; with red meaning the current space was less than 50% of what was needed, and green meaning that the space needs were currently met. He reported that there was a lot of red in the column, which indicated a major space shortage including in the functional spaces. Mr. Stodghill advised Council that there were support rooms that did not currently exist that were needed. He reminded them that the Town did not have ADA accessible restrooms for the public or staff. Mr. Stodghill acknowledged that there were three toilets in the Town Office; however, they were not ADA accessible. He advised that the list of spaces provided were of ones that were necessary to provide for a 21st century town office that was functionally complete. Mr. Stodghill reported that the bottom line was that based on personnel, support space and a multiplier of 45% to account for halls/walls/etc., the Town would currently need a gross area of 10,772 square feet and would need 11,294 square feet in eleven years.

Councilmember Miller inquired as to what was meant by the “ideal building efficiency” number. Mr. Stodghill advised that it was a calculation method. He explained that if the site and layout was perfect, with no constraints, seventy-two percent (72%) of the space would be functional space – with the remainder being halls, walls and mechanical closets. Mr. Stodghill advised that if the Council selected a site that based on its configuration and the setbacks, would not achieve a good compact arrangement, the efficiency number would go down. He advised that if the Town took an old building and insert the Town Office within its existing walls, the design would be less efficient; therefore, the efficiency would go down and the amount of building square footage required would go up. Mr. Stodghill reminded Council that this was something that would be reported on in the next phase. He advised that the Town would have no problem hitting the ideal efficiency number if it had a good site. Mr. Stodghill noted that this presumed the offices would either all be on one floor or would be stacked in an efficient manner. He advised that these were issues that would come up during the design.

Mr. Stodghill displayed a visual of where additional office space was necessary using the existing Town Office as an example. He noted that the Council Chambers would go from 600 to 900 square feet and would need more width. Mr. Stodghill reminded Council that the area was congested and noted the need for a podium. He advised that 900 square feet would allow for the same amount of seating; however, if the Council wished to go to a fifty seat room, the size would increase to 1,200 square feet. Mr. Stodghill reiterated that what he proposed was sized for the same number of seats; however, the room would be proportioned so it would not be as cramped. He reported that the files and resource materials would also be removed from the room, which would help.

Mr. Stodghill reported that the current Town Treasurer’s office was about the size necessary; however, it would not fit the module for today’s furniture. He noted the need to remove the server equipment. Mr. Stodghill advised that what was proposed was a modest increase.

Mr. Stodghill reiterated that the Town Administrator needed another 139 square feet to work and meet with people at a small circular table. He reported that the Administrative Assistant needed a space that was modestly bigger and could house a u-shaped work station. Mr. Stodghill advised that this space would be built around a public service counter and lobby. He reported that the Town Clerk needed 100 more square feet, which was double her current space. Mr. Stodghill advised that the Clerk was currently working in an extremely undersized space.

Mr. Stodghill noted the need to move some of the employees so they were not at the front of the operations. He suggested the creation of a storage room. Mr. Stodghill noted that his presentation just showed boxes so the Council could visualize what needed to be worked into the Town Office. He reminded the members of the need to create a lobby. Mr. Stodghill reported that the Building Code required two sets of entry doors. He suggested the facility be designed in such a way that the entry would allow individuals to come into the lobby and move into the Council Chambers from there.

Mr. Stodghill reiterated the need to reorganize the current layout to include a lobby, reception counter and public and staff restrooms. He further reiterated the need for a large and a small conference room; a Council meeting office; a server room, with room for an IT person to work on the system; a break room; a copy/mail room; and, a supply room.

Mr. Stodghill reported that the Business & Economic Development Director needed additional square footage. He further reported that the Town Planner also needed more square footage plus space for drawing storage, which could evolve to handle site plans and maps. Mr. Stodghill opined that eventually, it needed to handle everything related to large documents and the GIS system.

Councilmember Daly questioned whether ADA requirements would be incorporated into the planning. He cited the existing spiral staircase to access the second floor, which could be a chore to use.

Mr. Stodghill noted the need to appreciate that very little of the existing Town Office accommodated disabilities. He opined that the Town was subject to legal action and discrimination lawsuits. Mr. Stodghill noted that the world used to think that local governments had a pass on the ADA; however, it was now a different environment. He reiterated that lawsuits were being brought and advised that this was something that must be addressed.

Mr. Stodghill displayed a technical report on a comparison of the numbers and reported that what he proposed was close to the other towns that he was currently working with or had worked with in the past, including Ashland, Lovettsville and Dumfries. He advised that what he proposed fit in with communities of Middleburg's size. Mr. Stodghill noted that while it was a small operation, when the support spaces were included, a lot of space was needed to conduct the operations of the Town.

Councilmember Leonard-Morgan questioned whether Mr. Stodghill looked at the Police Department. Mr. Stodghill confirmed they were included in the numbers; however, he did not do a space comparison diagram for the Police Department. He confirmed this would be in the final report.

Vice Mayor Kirk questioned when the Council would meet with Mr. Stodghill again.

Town Clerk North advised Council that the Property Committee asked the staff to develop criteria that could be used to identify potential locations for a Town Office. She further advised that once developed, Mr. Stodghill would then prepare concept plans for the possible locations. Ms. North reported that the criteria would be presented to the Property Committee during their next meeting. She suggested the staff have Mr. Stodghill look at the proposed criteria as well. Ms. North advised that eventually, the Property Committee would have a recommendation for the Council as to the sites for which Mr. Stodghill should prepare a concept plan.

Vice Mayor Kirk opined that the Property Committee may want to meet with Mr. Stodghill.

Councilmember Snyder inquired as to when the Town anticipated receiving the final report. Town Clerk North advised that, at this point, the schedule depended on the Town identifying locations so Mr. Stodghill could move to the concept plan phase.

Councilmember Littleton questioned how long the study would take once the Town identified the two sites. Mr. Stodghill advised that it would take two to three weeks. He opined that he could make the April time frame. Mr. Stodghill advised that he would start writing the front end of the report, including the narrative on the analysis; and, once the Town identified the sites, he would work on the concept plans.

Councilmember Littleton questioned whether Mr. Stodghill would look at the feasibility of how the lot was laid out, including considering whether it would be an ideal location due to parking, or whether he would just look at the building footprint. Mr. Stodghill confirmed he would look at the sites holistically. He advised that if he did not believe a site would be a good location, he would comment on that.

Vice Mayor Kirk questioned whether Mr. Stodghill would come to Middleburg to look at the sites. She suggested that a member of Council could go along with him.

Councilmember Miller inquired as to the parking. Mr. Stodghill confirmed parking would be included in the concept plans.

Councilmember Miller questioned whether it would include a garage for parking the police vehicles so they would not be damaged by hail again. Vice Mayor Kirk noted that this had been raised and suggested this would depend on the cost. She noted that the cost was greater for underground parking.

Councilmember Snyder opined that spending \$750,000 for underground parking was not an efficient way to protect \$200,000 worth of police vehicles.

Mr. Stodghill noted the need to consider the parking and advised that he would look at underground parking and whether it was appropriate. He reiterated that he would identify any issues he saw with a site. Vice Mayor Kirk noted that he had been honest with the Council to date.

Councilmember Leonard-Morgan noted that he was not available when the interviews were conducted. He advised that he served on a lot of committees and suggested it may be easier to juggle multiple meeting dates if the Town had a conference room that was capable of holding a committee meeting.

Mr. Stodghill advised that the small conference room he proposed was capable of holding six people and the large one was capable of holding ten.

Councilmember Miller noted that the Council Chambers would also be available for use.

Councilmember Littleton reminded Council that they also talked about making the meeting rooms available to the public when they were not in use by the Town.

Councilmember Snyder opined that the biggest thing was the conflicts with committees that were all trying to meet in the Town Office.

Vice Mayor Kirk suggested that depending on the site that was selected, it may be possible to have two smaller conference rooms. She insisted the Town Office property be considered as the Town already owned it outright.

Mr. Stodghill advised that he would build a model of the square footage necessary. He noted that the Council would have a lot of time to refine the plans and decide which components it wanted or if something else was needed.

Vice Mayor Kirk asked that the staff not only think of the Town's current space needs but also its future needs. She noted that there had been discussion of a central file room that would be accessible to everyone. Mr. Stodghill confirmed it was included in the plan.

Vice Mayor Kirk declared a five minute recess so Mr. Stodghill could break down his equipment. She called the meeting back to order at 7:19 p.m.

Request to Amend Absenteeism Policy

Vice Mayor Kirk noted that this item would be deferred given Councilmember Hazard's absence.

FY '19 General & Utility Fund Budgets

Town Treasurer Bott reminded Council that this was the second draft of the General Fund and the first of the Utility Fund budgets. She asked whether the members had any questions about the memo or the spread sheets. Ms. Bott reminded Council that one of the items that was raised during the last meeting was to increase the charitable contributions; however, no change was made as the staff needed some direction.

Vice Mayor Kirk suggested a decision be made after a decision was made on the Health Center. She opined that it would not be hurt to have a cushion.

Councilmember Leonard-Morgan thanked the staff for looking into what other towns did with regard to health insurance for members of the Council. He questioned whether a decision needed to be made on it. Town Treasurer Bott advised that a decision needed to be made if the Council wished to make a change.

Councilmember Leonard-Morgan opined that as a member of the Council, he was a volunteer, not an employee. He noted that the contribution for health insurance could be a lot of money from taxpayers' funds and advised that he was not in favor of it.

Councilmember Snyder advised that he was not in favor of it and opined that the members needed to take care of their own business.

Vice Mayor Kirk advised that the Town could not accept the member's check back.

Town Treasurer Bott noted that this was a benefit. She advised Council that she reached out to The Local Choice with questions about making a change given that the Town had an existing member on its plan. Ms. Bott questioned whether that individual would be eligible for COBRA and opined that he would. She also questioned whether it would be considered to be a mid-year qualifying event if the policy was changed or whether, since the individual was already on the Town's plan, he was grandfathered. Ms. Bott opined that this would not be the case; however, she noted the need to find out more information.

Councilmember Leonard-Morgan opined that there needed to be a period of time before the effective date of the change if the Council decided to make one. He suggested it be six months to a year so it would be fair to all parties.

Councilmember Littleton inquired as to the general breakdown of the localities that did and did not offer health insurance benefits to its councilmembers. Town Treasurer Bott reported that of the fifty jurisdictions that responded, 38% allow council participation and 62% did not. Councilmember Littleton noted that one-third did and two-thirds did not.

Councilmember Miller questioned whether the localities funded it at the 50% level. Town Administrator Semmes confirmed they must under The Local Choice plan.

Councilmember Leonard-Morgan noted that two localities were exploring this option; therefore, the percentage who did could become higher.

Councilmember Littleton inquired as to how long this had been the Town's policy. Town Administrator Semmes advised that it was five years.

Vice Mayor Kirk opined that it was longer and noted that her mother was on the Town's health insurance when she was on the Council. She advised that she paid the entire amount each month. Ms. Kirk opined that it was policy that other people could participate, including committee members. She advised that it faded away and then came back.

Councilmember Littleton questioned whether the policy was rescinded and then brought back. He further questioned whether it was always allowed but no one was using it. Vice Mayor Kirk opined that the latter was the better description.

Town Clerk North explained that five years ago, a member approached the Council asking that she be allowed to participate in the Town's health insurance. She advised that the staff researched what was needed to allow this to occur and presented that to the Council for their consideration. Ms. North further advised that the Council voted to add the policy to the Employee Handbook.

Councilmember Littleton questioned whether the vote on the policy was unanimous. Town Clerk North opined that it was; however, she noted that she would have to research the minutes to confirm this was the case.

Bundles Murdock, a former member of Council, confirmed the policy was added at least five years ago.

Councilmember Miller inquired as to the cost to the Town. Town Treasurer Bott reported that it was \$4,700/year based on the current rates.

Councilmember Snyder noted that health insurance costs typically rose annually.

Vice Mayor Kirk suggested the Council hold on this discussion for now.

Town Administrator Semmes advised Council that the staff would research the additional information they requested.

Councilmember Miller questioned how often this policy had been used. Councilmember Snyder opined that it had only been used by one member of Council in the last five years. He further opined that before that it had not been used in the previous ten years. Councilmember Littleton opined that his father used it for twelve years when he was on the Council; however, when he qualified for Medicare, he stopped. He opined that he was on it the first time he was on the Council and returned to it when he came back on Council in 2006.

Vice Mayor Kirk opined that the members were paying the full cost at that time. She questioned whether the regulations changed to not allow the members to pay the Town back for the entire cost. Town Treasurer Bott noted that she did not know there was a change and suggested this may have been a Town requirement. Town Clerk North advised Council that when the issue arose five years ago, the staff researched the State requirements and drafted the Employee Handbook policy based on them.

Vice Mayor Kirk opined that there was no clear sense on how the Council wanted to go with this.

Town Treasurer Bott noted that the Council had time to address it and advised that it was a minor part of the budget.

Town Administrator Semmes questioned whether the Council wanted to wait on identifying a dollar amount for the charitable contributions. She reminded them that the Vice Mayor suggested increasing it to \$40,000.

Vice Mayor Kirk suggested it be increased just in case. She reminded Council that there have been some discussions about the charitable contributions from the Health Center Fund. Ms. Kirk noted that this could change depending on what the Council did with the building.

Town Attorney Crim advised Council that he was on top of that.

Vice Mayor Kirk advised that it may not be needed; however, she would suggest increasing the amount to \$40,000. Councilmember Snyder opined that it made sense to increase it to have flexibility.

Councilmember Littleton noted that he and Councilmember Leonard-Morgan talked about the equalized tax rate. He asked that the staff walk the Council through the rationale.

Councilmember Leonard-Morgan noted that he had already worked this out. He explained that he was under the misunderstanding that the Town would get \$40,000 less in revenue than last year at the equalized tax rate; however, it would actually get \$18,000 more. Mr. Leonard-Morgan explained that the \$40,000 loss was based on a comparison of the same tax rate. Councilmember Littleton noted that that made more sense.

Councilmember Snyder noted the portion of the budget that came from the real estate tax revenues. He further noted what this meant to the local businesses and residents. Mr. Snyder advised that he would like to advertise a public hearing for the equalized rate. The remainder of Council agreed.

Town Clerk North reminded Council that no public hearing was needed if the Council went with the equalized real estate tax rate.

Vice Mayor Kirk reminded Council that the staff was still waiting for some items. Town Treasurer Bott advised that she had an idea of the bank franchise tax revenue and reiterated that she recommended keeping it as proposed in the draft budget. She reported that the staff still did not have the costs for the liability insurance or the sidewalk construction costs.

Councilmember Littleton questioned whether the staff had a WAG for the sidewalk project. Town Administrator Semmes confirmed it had an engineer's estimate. She expressed hope that the project would be done this fiscal year and would not carry over to the next one. Ms. Semmes reported that VDOT was reviewing the plans and, once approved, the project would be put out to bid.

Councilmember Miller requested a copy of the plan.

Town Administrator Semmes reminded Council that this was the first time they saw the draft Utility Fund budget. She advised that it included a lot of unknowns. Ms. Semmes noted the West End Pump Station Project and reported that the staff included the engineer's best estimate in the budget.

Councilmember Snyder noted that he was nervous about the cost and reminded Council that it would not be known until the bids were received.

Councilmember Miller opined that the Town would not know the actual cost until the contractor started to dig.

Town Administrator Semmes reminded Council that the Town invested money in soil borings. She advised that while this was not a guarantee there was no rock, it did lower the risk. Ms. Semmes opined that the bids would be better because the bidders would have some information.

Councilmember Littleton noted that he was familiar with a business that did pipe fittings and sprinkler systems and advised that their steel costs increased by fifty percent this week due to the threat of the tariff. He opined that companies were stock piling steel and were already putting that in their costs. Mr. Littleton suggested the Town needed to be aware of this if the West End Pump Station used steel or aluminum. He advised that based on an analyst report that he just read, it was expected that prices would increase by twenty-four percent within the next six months.

Councilmember Snyder noted that he had heard that companies were stockpiling steel. Councilmember Littleton opined that the prices they charged would still increase.

Town Administrator Semmes reminded Council that the pump station would be a pre-fabricated unit. She noted that it would be small. Councilmember Miller opined that if companies could charge more, they would.

Vice Mayor Kirk inquired as to the time estimate for when the Ridgeview Project would begin. Town Administrator Semmes advised that the hope was that it would start in April. She noted that she just sent notifications to the residents that were immediately affected to give them a heads up on the project. Ms. Semmes advised that as the start date got closer, the Town would go door-to-door with information.

Councilmember Littleton questioned whether a \$300,000 loan from the General Fund to the Utility Fund would be enough. Town Administrator Semmes expressed hope that it would; however, she advised that she would have to get back to the Council on this. She reminded them that part of the costs were in this year's and part in next year's budgets. Ms. Semmes reminded Council that this was the first year that the Town had this many capital projects in a budget; therefore, it was the first year the budget contained this many unknowns. She noted that it was based on the best information that was currently available.

Councilmember Snyder noted that the business license fee in the Schedule of Tax Rates and License Fees stated that it was "twenty dollars (\$30)". Town Clerk North noted that it should have said thirty dollars and advised that it had been \$30 for a couple of years.

Town Administrator Semmes advised that she checked with other jurisdictions on their business license rates. She noted that the Town was not at the State maximum; however, it was competitive. Ms. Semmes reported that Middleburg's rates were not as high as Leesburg or Loudoun County's for most of the rates. She opined that this kept Middleburg business friendly.

Councilmember Leonard-Morgan opined that Middleburg's meals tax rate was higher than Leesburg's. Town Administrator Semmes noted that Leesburg had more restaurants to collect from. She opined that their real estate tax revenues were probably a larger percentage of their revenues.

Town Administrator Semmes reported that the staff was not proposing to raise any rates or fees.

Councilmember Leonard-Morgan noted that the issue of vehicle decals had not yet been decided.

Town Treasurer Bott reported that a decision was not needed at this time. She advised that this could be a different discussion. Ms. Bott explained that she previously mentioned it because of what was happening in other communities and because residents were asking what the Town was doing in the future. She reminded Council that the stickers must all move to the left of the windshield.

Councilmember Miller explained that this was because of a safety sensor that was located in the middle of the windshield on some vehicles. He opined that it would be an option that was available on more vehicles in the future. Mr. Miller explained that the placement of the decal interfered with the safety feature.

Vice Mayor Kirk questioned how the Chief felt about doing away with the vehicle stickers. Chief Panebianco advised that he was in favor of doing away with them. He noted that if the Town kept them, they must be placed to the left of the inspection sticker, otherwise the Town held some liability.

Town Treasurer Bott reported that the staff would change the instructions on the sticker.

Councilmember Leonard-Morgan inquired as to the rationale behind the vehicle stickers. Councilmember Snyder advised that it was designed to address people who had not paid their personal property taxes; however, it was now an obsolete idea since other jurisdictions were going away from decals. He recommended Middleburg follow suit.

Councilmember Leonard-Morgan questioned whether the Town could go with a permanent decal.

Councilmember Miller inquired as to the revenues provided through the sale of the vehicle stickers. Town Treasurer Bott reported that it was just under \$13,000 annually.

Councilmember Leonard-Morgan questioned whether, aside from the revenues, there was any other reason to have the decals. Town Treasurer Bott confirmed there was not. She advised that she did not know why the Town kept them when it did away with the personal property tax and noted that they required a lot of staff time to administer for such a small amount of revenue. Ms. Bott explained that even if the Town went with a permanent one, there would still be administrative issues as the Town staff would have to determine whether the individual paid the fee to the County before it issued a permanent decal.

Councilmember Leonard-Morgan agreed the Council should do away with the decals.

Town Treasurer Bott explained that currently, the only way to collect the charge was through the issuance of a decal. She advised that this was a decision for next year and noted that this year would remain status quo.

Councilmember Miller noted that the Town would need a policy for a change to a vehicle.

Town Treasurer Bott noted that the decals were a pain for residents. She advised that the County would not issue them.

Vice Mayor Kirk questioned whether the consensus was to do away with the decals. The members of Council agreed it was.

Town Treasurer Bott questioned whether the Council wanted to do away with them completely or just charge for them. She reminded Council that the fee would be on the County's 2020 tax bills. Ms. Bott proposed the status quo for now, with the Town issuing the decals. Ms. Bott recommended that in 2020, the Town do away with the decal and bill for the fees through the County. She noted that this would mean two more years of issuing decals.

Councilmember Miller questioned whether the Town wanted to deal with decals for the next two years.

Councilmember Littleton opined that the Town would not have to have a decal to collect the fee. He suggested the Town could still bill for and collect the fee without issuing a decal. Mr. Littleton further suggested the Town just issue a receipt.

Town Treasurer Bott explained that without the issuance of a decal, there would be no mechanism to enforce it other than continuing to send bills. She noted that the Town also did not have anything to attach it to as it did not have a personal property tax.

Councilmember Miller suggested it be left as is until 2020 when the County took over the billing.

Town Planner Moore suggested the Town issue the decals until the consolidated billing came into play that way the Town would not have to deal with interim issues. He noted that this would provide for a clean switch.

Councilmember Miller questioned whether the Town could offer a two-year decal, with the cost being \$50. Councilmember Littleton questioned how the Town would handle those people who moved into town in the middle of the two-year period. Town Treasurer Bott suggested it be pro-rated.

Councilmember Littleton questioned whether the Police Department wrote tickets for not having a decal. Chief Panebianco advised that in Virginia, if a vehicle was parked in front of a home for thirty days, the owner was considered to be living here. He noted that the Police Department generally did not fool with the decals much unless they received a complaint or saw a dead sticker.

Vice Mayor Kirk questioned whether the consensus was to continue to issue the decals for the next two years but no more. The Council agreed it was.

Councilmember Miller noted that there were some cars in town that were not registered in Middleburg but still paid the decal fee. He further noted that there would be no personal property bills from the County in those cases.

Town Administrator Semmes advised Council that the Town would not know about those unless the individual was honest. She suggested the Town bill and collect what it could through the County's consolidated billing.

Town's Financial Policies

Town Treasurer Bott advised Council that action was not needed at this time and explained that the staff thought it was prudent to review the policies with regard to reserves. She reminded them that it had only been recently that the Town has had abundant reserves and could begin doing capital projects. Ms. Bott noted the need to save money for external factors over which the Town had no control. She advised that the staff consulted with Davenport to get an idea of how much the Town should save and how much it could earmark for things. Ms. Bott explained that the staff wanted to propose some changes for the Council's discussion.

Councilmember Littleton advised Council that he reviewed this and other towns' policies. He opined that it was a great idea to review it; however, he suggested a lot more work needed to be done. Mr. Littleton opined that it was difficult, especially since the Town was so dependent on the revenues from the Salamander Resort. He questioned what would happen if there was a four-year recession. Mr. Littleton noted that not only was Salamander a resort – it was a luxury resort that survived on corporate events. He advised that this was the first thing that was cut when corporate budgets were tight. Mr. Littleton advised that he was not saying the proposed number was right or wrong and explained that he wanted to sit down and model things out, especially if the Town had something happen that was impactful. He noted that the other concern was that the Town now had the space needs study that it must do something with, which would involve a significant cost. Mr. Littleton opined that it was the responsibility of government to give something back to the citizens when times were tough as that was when they struggled the most. He reiterated that he was not saying 50% was wrong; however, he questioned whether it should be 75% or 100%.

Town Treasurer Bott advised that those numbers were proposed to Davenport; however, they felt they were high.

Councilmember Snyder opined that the Council increased it to 25% two years ago. Town Treasurer Bott reported that it was 20%.

Councilmember Snyder opined that this was important in the Utility Fund, which had significant assets that needed to be replaced. He advised that if the Town had no cash reserves, it may have to borrow money at a horrible time. Mr. Snyder noted the 1970s when the interest rates were in double digits and advised that he could not imagine borrowing under those terms today. He reiterated that this was important in the Utility Fund where things were wearing out. Mr. Snyder noted that if the Town did not keep up with them, there may be an issue with providing water. Councilmember Littleton agreed.

Councilmember Miller advised that he saw 50% as the baseline. He suggested the percentage be increased over time as the budget allowed. Mr. Miller reminded Council that there were a lot of capital improvement projects that needed to be planned along the side of that.

Councilmember Snyder noted that when the percentage was last increased, the Council anticipated increasing it more over time in the future. He advised that he would be in favor of 50% if it was possible.

Councilmember Littleton advised that he wanted to understand when a review would be triggered, such as economic conditions, as opposed to reviewing the policy once a year. He opined that the interest rates were artificially low and suggested that if they went up, everything would change. Mr. Littleton suggested a review be triggered if the rates increased by 1.5 points.

Vice Mayor Kirk suggested the need for a recommendation from the staff.

Councilmember Littleton advised that he did not believe a committee was needed; however, he suggested that some members should sit down to discuss it. Town Administrator Semmes suggested that Davenport be pulled into the discussion.

Councilmember Snyder agreed that Davenport would be a good resource to consult in setting the trigger for a review. Vice Mayor Kirk agreed.

Councilmember Littleton noted the need to be cautious of arbitrage. He acknowledged that it was not currently an issue; however, he suggested that in the future, the Town could have a big capital project that it must borrow money for and noted the need to segregate it so the Town would not hit with a penalty. Mr. Littleton suggested the need to address this.

FY '19 General & Utility Fund Budget (continued)

Councilmember Snyder opined that it would have been nice if the Police Chief and Business & Economic Development Director had highlighted what the overall change was on each sheet; however, he had to add the numbers up. He reported that they came to \$60,000 for the Economic Development budget and \$20,000 for the Police Department budget. Mr. Snyder reiterated that having an indication of the overall impact in the recommendations would have been handy.

Chief Panebianco advised that the budget work sheets showed the totals. He noted that as to his sheets, there were just for some selected areas that were increasing. Chief Panebianco reminded Council that the budget work sheets had the percentages and total increases. He explained that the other sheet just provided notes to explain why he asked for more in those line items.

Councilmember Snyder advised that while they were helpful, they could have been clearer.

Town Administrator Semmes explained that the staff did not want the Council to have to look at something if it was not proposing a change.

Vice Mayor Kirk reminded Council that the Town Treasurer also included notes in the line items.

Town Treasurer Bott expressed an assumption that the Council was holding off on any further discussion of the financial policies until the staff did more work on them. The members confirmed they were.

Town Administrator Semmes advised Council that the staff would get Davenport to help. She suggested that any members could assist if desired. Councilmember Littleton suggested the staff bring a recommendation back to the Council.

Councilmember Miller suggested the proposed budget for the website was too low. He further suggested another \$20,000 be added. Vice Mayor Kirk agreed; however, she noted that an adjustment could be made if needed.

Councilmember Littleton questioned what the website would do and noted that this would drive the cost. He suggested that if it was just phone numbers, it would cost \$10,000; however, if it was interactive, it would cost \$100,000.

Councilmember Miller noted that this was not known and suggested the need to budget for in between the options. He opined that the Town's website would not have a portal. Mr. Miller suggested the need to discuss what was desired before the Town prepared a RFP. He reiterated the need to know how the Town wanted its website to function and for there to be ease of use for the staff. Mr. Miller reminded Council that this would come with hosting charges.

Councilmember Littleton reminded Council that they agreed to go with Granicus for the electronic agendas and opined that the Town's website should be its entry. He noted the Town calendar and questioned whether people would be able to sign up for it.

Vice Mayor Kirk questioned whether a committee was needed for the website. Councilmember Miller opined that a committee was not needed; however, he noted the need for stakeholder input. He advised that he was more comfortable putting \$50,000 in the budget for website development. Mr. Miller reminded Council that the Town did not have to spend it all. He questioned whether the Town issued the final two payments to the first vendor. Town Administrator Semmes confirmed it did not and reported that they only received one payment.

Councilmember Littleton opined that the Economic Development budget was \$60,000 higher. Business & Economic Development Director Gaucher reported that the overall budget was lower. He explained that the \$60,000 was related to increases in some specific categories. Vice Mayor Kirk reminded Council of the need to look at the budget spreadsheets.

Town Treasurer Bott reported that the Economic Development budget as proposed was 3.5% higher.

Councilmember Littleton noted that the Town provided funding for the Middleburg Business & Professional Association and Visit Loudoun in the past. He further noted that the staff was asking for \$25,000 less. Mr. Littleton questioned whether the staff was recommending nothing for Visit Loudoun.

Business & Economic Development Director Gaucher reported that he was meeting with them next week. He advised that he listed them as being "TBD"

Councilmember Littleton suggested there may not be a \$25,000 savings if it was possible that the Town may give them money.

Vice Mayor Kirk asked that the Council be given a number at its next meeting. She opined that the members would have more questions as the budget review continued. Town Treasurer Bott reminded Council that they had time to hash it out; however, she suggested they do more now, so they would have less to do later.

Request to Initiate ZTA related to businesses located within another Town business

Town Planner Moore noted that this was an item that was initiated by Mayor Davis and advised that she did not speak with him directly. He explained that an issue arose during the Winter Sidewalk Sale with a business that was technically licensed in Middleburg; however, it was only renting a small space from another business.

Vice Mayor Kirk questioned whether they were actually paying rent. Town Planner Moore advised that he was told they were and opined that it was a fair assumption based on the owner of the business.

Vice Mayor Kirk questioned whether they were paying taxes to the Town.

Town Planner Moore reported that the business had a standalone location in another town that was in close proximity to Middleburg. He advised that this started a few years ago amidst complaints that the business had rented a display window along Washington Street for the display of items, including their business name and location. Mr. Moore reported that he started a conversation with the property owner about having an off-premises sign, which was not permitted in Middleburg. He noted that he subsequently had a meeting with the owner of the business in question and his attorneys and eventually, he submitted a request for a zoning occupancy permit, claiming that he used part of the interior space of the building in town to stock items. Mr. Moore advised that if someone walked down the sidewalk, they could go inside the building where there would be a stock of items that could be purchased. He opined that this was a very disingenuous approach; however, even though he only had a limited supply, he did have merchandise. Mr. Moore noted that the business had to be licensed and in 2015, obtained a Town business license, which they continued to maintain. He reported that he could not deny the zoning occupancy permit as it was a permitted use and businesses could share a space. Mr. Moore explained that this was how that issue was resolved.

Town Planner Moore reiterated that there was an incident during the Winter Sidewalk Sale and suggested the need for a broader discussion about the ownership of the sale. He reported that the business in question set up in a different location from where they were licensed. Mr. Moore advised that shortly after he had a conversation with them, they relocated their items in front of the building where their business operated. He noted that that was how the issue was resolved for that day.

Town Planner Moore advised that from talking to the Town Clerk, it was his understanding that the Mayor was asking the Council to direct the Planning Commission to initiate a zoning text amendment to require businesses to have a certain amount of square footage to be considered a business. He noted that he was not sure this was the best approach; however, he could look into it. Mr. Moore explained that this approach could affect other businesses, such as the antique emporium where the vendors within it were individually licensed. He noted that salons may not employ all of the people in them, as some may work as independent contractors. Mr. Moore questioned whether he would have to measure the square footage of a chair and tell someone they could not work there. He suggested there may be complications in addressing this through a zoning text amendment.

Vice Mayor Kirk questioned whether there was a better way to address it.

Town Planner Moore suggested an investigation was needed and noted that this was complicated. He reiterated that this began with an off-premise sign and noted the need to update the sign ordinance.

Mr. Moore advised that this was programmed for later in the year. He noted that he had a model ordinance that the Town Attorney helped prepare that was based on the Supreme Court decision that localities could not use content-based regulations for signs. Mr. Moore advised that whether on- and off-premise signage could be regulated was unanswered by the Supreme Court decision.

Vice Mayor Kirk questioned whether there had been other court rulings. Town Attorney Crim reported that there had not been in Virginia; however, the California Federal District Courts had several cases that were making their way through the appellate process. He advised that there had been no binding decisions.

Town Planner Moore advised that one concurring opinion stated that off-premise signs that were not content-based could still be regulated; however, that could change based on case law. He reiterated that the Town may not be able to regulate them and advised that this must be worked through. He opined that what occurred was an isolated incident and suggested it was due to the ownership of the sidewalk sale. Mr. Moore reminded Council that they have discussed the need for a different special event process than what existed because all of the events that took place generally qualified as being exempted from the process because the Town was a sponsor. He opined that the Town lacked institutional knowledge to understand whether it was a sponsor of the event. Mr. Moore reported that leading up to the event, the Business & Economic Development Director had a discussion with the MBPA who claimed they did not own the event. He suggested the need to decide who owned it and who would decide who could participate. Mr. Moore further suggested the need for structure around it. Councilmember Littleton suggested the need for structure around all events.

Town Planner Moore advised that this exacerbated what drove this concern. He encouraged there be a discussion between the Business & Economic Development Director and the MBPA on the ownership of this event in advance of the Summer Sidewalk Sale in August.

Town Planner Moore questioned whether the Town Attorney had any thoughts on regulating the minimum square footage for a business. Town Attorney Crim advised that he just learned about this issue. He reported that the Town Planner laid out the issues with the antique stores and other businesses. Vice Mayor Kirk suggested there be exemptions.

Councilmember Littleton suggested this be handled by revenue. He further suggested the business must generate a minimum of \$500/month in revenue. Mr. Littleton opined that there were a lot of ways to approach this.

Town Attorney Crim noted the need to identify what the Town was trying to prevent or what good it was trying to accomplish. He suggested that would drive the regulations.

Councilmember Miller noted that there was no way to track the sales tax. Town Administrator Semmes confirmed this was correct as the sale taxes did not come to the Town. Councilmember Littleton noted that the sales tax was a State tax. Town Administrator Semmes explained that a portion was returned to the locality; however, it was not based on revenues generated in the town.

Councilmember Littleton questioned whether the Council wanted to task the Planning Commission with looking at this issue. He expressed an understanding of the concern about a business coming to town and setting up a billboard when they did not have a business in Middleburg and were driving business away from the town. Mr. Littleton advised that this was not about this one business, but rather was about any business that tried to do it. He opined that this was not the first time this had occurred, nor would it be the last.

Councilmember Miller noted the need to determine how to handle food trucks. He opined that all of these were things for which planning was needed.

Town Attorney Crim suggested this be wrapped up into the Planning Commission's discussion on the sign ordinance, which would address a lot of the issues. He noted that food trucks were a separate issue. Mr. Crim advised that if they were parking on public property that was an issue for which he could draft regulations.

Councilmember Littleton opined that there were two issues – signs and business use of the public rights-of-way and sidewalks.

Town Attorney Crim concurred. He suggested the latter dove tailed with the public demonstrations and use of public grounds policy, which covered everything from terrorist organizations to lemonade stands, including how, what and who regulated them. Town Administrator Semmes reported that she and the Police Chief recently heard some good information on that topic based on experiences in other localities.

Vice Mayor Kirk suggested the Council direct the Planning Commission to start work on this item.

Town Planner Moore suggested he and the Town Attorney start work on something and then report back to the Council. Town Attorney Crim suggested they bring a resolution back to the Council referring this to the Commission.

Information Items

Councilmember Littleton reported that seven people, including him, met with the Governor to talk about the 5G bill. He reminded Council that there were two bills – one about reduced fees to put items in the rights-of-way and one about allowing the cell phone companies to do what they wanted in the rights-of-way. Mr. Littleton noted that the fee bill was about money and was not about destroying the streets and sidewalks. He further noted that as to the fee bill, there was a seven day clock associated with it and the Governor did not feel he had enough information to veto it by March 12th. Mr. Littleton advised that the Governor had thirty days to make a decision on the other bill, which was the bigger one for the Town. He noted that while he could not say for certain, he had a really good feeling that the Governor was open to vetoing it. Mr. Littleton reported that other states' governors had vetoed it. He advised that the second option if it was not vetoed was to remove the word "localities" so it would only apply to rights-of-way owned by VDOT. Mr. Littleton noted that while a veto would be great, the second option would save the Town. He advised that the VML gave the Governor a choice.

Councilmember Littleton reported that the Deputy Chief of Staff was present during the meeting and took the attendees email addresses so they could let them know if the Governor had any questions or if there was movement. He advised that the Governor's Office was keeping a count of the number of opposition letters received and reported that it had received seventy-eight to date from citizens and fifty resolutions from localities. Mr. Littleton noted that it took approximately two weeks for a letter to get through the process and suggested the Council keep telling people to send in letters as the Governor had three weeks before he must decide whether to sign or veto the bill.

Closed Session – Acquisition/Disposition of Property and Appointments to EDAC

Councilmember Daly moved, seconded by Councilmember Littleton, that Council go into closed session as allowed under the Virginia Freedom of Information Act Section 2.2-3711(A) (3) and (1) pertaining to the discussion or consideration of the acquisition of real property for a public purpose, or the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body; and for the discussion, consideration or interviews of prospective candidates for employment, assignment, appointment,

promotion, performance, demotion, salaries, disciplining or resignation of specific public officers, appointees and employees of the public body. Councilmember Daly further moved, seconded by Councilmember Littleton, that these matters be limited to (1) the acquisition of property within the town and the disposition of publicly held property for economic development purposes and (2) appointments to the Economic Development Advisory Committee. Councilmember Daly further moved, seconded by Councilmember Littleton, that in addition to the Council, the following individuals be present during the closed session: Martha Mason Semmes, Martin Crim, Will Moore and Jamie Gaucher for the first part and Martha Mason Semmes, Martin Crim, Rhonda North and Jamie Gaucher for the second part. Councilmember Daly further moved, seconded by Councilmember Littleton, that the Council thereafter reconvene in open session for action as appropriate.

Vote: Yes – Councilmembers Kirk, Daly, Leonard-Morgan, Littleton, Miller and Snyder

No – N/A

Abstain: N/A

Absent: Mayor Davis and Councilmember Hazard

Vice Mayor Kirk asked that Council certify that to the best of each member’s knowledge (i) only public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act and (ii) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered in the closed meeting, which each member so did. She reminded those present for the closed session that any discussion that occurred within it should be treated as confidential.

Appointments to EDAC

Councilmember Miller moved, seconded by Councilmember Daly, that Council re-appoint Vincent Bataoel, Aleco Bravo-Greenburg and Prem Devadas to the Economic Development Advisory Committee for two-year terms, said terms to expire April 1, 2020.

Vote: Yes – Councilmembers Kirk, Daly, Leonard-Morgan, Littleton and Miller

No – N/A

Abstain: Councilmember Snyder

Absent: Mayor Davis and Councilmember Hazard

There being no further business, Vice Mayor Kirk declared the meeting adjourned at 8:57 p.m.

APPROVED:

Darlene Kirk, VICE MAYOR