

Town of Lovettsville

Town Council Minutes of the April 9, 2015 Regular Meeting

Call to Order/Pledge of Allegiance

Mayor Robert Zoldos II called the Regular Meeting of the Lovettsville Town Council to order at 7:30 p.m. on April 9, 2015 at the Lovettsville Town Hall, 6 East Pennsylvania Avenue, Lovettsville, VA.

Council Members Present

- Mayor Robert Zoldos II
- Vice Mayor Michael Senate
- Council Member Kimberly Allar
- Council Member Tiffany Carder
- Council Member Rodney Gray
- Council Member Jennifer Jones

Council Members Absent

- Council Member James McIntyre

Closed Session

Mayor Zoldos announced there would be no closed session.

Staff Present

- Town Manager Laszlo Palko
- Project Manager Karin Fellers
- Zoning Administrator Joshua Bateman
- Town Attorney Elizabeth Whiting
- Town Clerk Harriet West

Pledge of Allegiance

Mayor Zoldos led those assembled in the Pledge of Allegiance.

Presentations

There were no presentations.

Comments from the Public

Mayor Zoldos called for comments from the public.

Shirley Hale said that she is the niece of Walter Engel who owned various properties within the Town of Lovettsville. She is a native of Lovettsville and lived here until 1963. She is attending the meeting so she can understand what the Town's plans are as they relate to the property that she now owns with her siblings.

Community Presentations

A. Loudoun County Sheriff's Office

Deputy LoPreto read a statement into the record regarding several alleged incidents that occurred in Lovettsville in early April 2015 (Attachment 1). He noted that these incidents were reported on social media, but not to the Sheriff's Office. He stressed the importance of residents reporting any suspicious events directly to the Sheriff's Office in a timely manner. He also cautioned residents against posting detailed personal information on social media sites that could potentially put them in jeopardy. Deputy LoPreto gave an update on the results of traffic monitoring on Cooper Run Street and noted that no speeding problems were found. He also gave an update on the complaint received about dirt bikes and mini-bikes at Quarter Branch Park.

B. Lovettsville Volunteer Fire and Rescue

Mayor Zoldos gave an update on the new ambulance.

C. Lovettsville Community Center

Councilman Gray reported on upcoming events, classes, and the pool opening.

There were no other community reports.

Town Commission and Committee Reports

A. Lovettsville Planning Commission

Commissioner McDonough said they did not have a meeting due to lack of a quorum.

B. Parks Committee

Vice Mayor Senate gave updates on the Arbor Day tree planting, community gardens, and the Town Information Sign. Project Manager Fellers said that a sign prohibiting motorized vehicles has been installed at Quarter Branch Park. Mayor Zoldos and Deputy LoPreto discussed how this can be enforced.

C. We're In Committee

Councilwoman Carder reported on the business expo and upcoming events.

D. Volunteer Fest Committee

Councilwoman Jones discussed plans for the event which will be held on April 19.

D. MayFest Committee

Councilwoman Carder reported on new activities this year including a photo booth and toddler area.

E. Memorial Day Ceremony

Councilwoman Allar gave an update on the new guest speaker

F. Oktoberfest Committee

There was no report.

Additions/Deletions/Modifications to the Agenda

There were no changes to the agenda.

Minutes

A. October 2014 Meeting Minutes

Motion: I move to adopt the minutes of the October 8, 2014 Special Meeting, the minutes of October 9, 2014 Regular Meeting, the minutes of the October 21, 2014 Special Meeting, the minutes of the October 22, 2014 Special Meeting, and the minutes of the October 30, 2014 Special Meeting, as corrected.

By: Council Member Jones

Second: Council Member Allar

Aye: Council Members Allar, Carder, Jones, Gray, and Senate

Nay: None

Abstain: None

Absent: Council Member McIntyre

Monthly Financial Report

There was no report.

Staff Reports

A. Report from the Project Manager

Project Manager Fellers gave updates on a recent repair to one of the legs of the elevated water tank, the East Broad Way project, and the Bike Path. She noted that the bids on the VDOT Bike Path were higher than expected. Project Manager Fellers responded to questions from the Council regarding the elevated water tank and reported that the tank is structurally sound.

B. Report from the Zoning Administrator

There were no questions regarding the Zoning Administrator's report.

A. Report from the Utility Supervisor

There was no report.

C. Report from the Town Attorney

There was no report.

D. Report from the Town Manager

Manager Palko said he had received two applications for the vacancy on the Planning Commission. Following discussion, the Council agreed to conduct the interviews on April 23, 2015.

Action Items

A. Masonic Lodge Sign – 28 East Broad Way

Zoning Administrator Bateman presented this item. The Council is being asked to authorize the Zoning Administrator to issue a sign permit for a bulletin board sign which exceeds the maximum area allowed for such signs. Mr. Bateman noted that the Zoning Ordinance authorizes the Town Council to modify the sign standards. **Loyd Davis** and **Chuck Wyant**, representing the Masonic Lodge, discussed where the sign would be placed.

Motion: I move to approve a modification of the standards of the sign regulations, as requested by the owner of the property at 28 East Broad Way, to install the bulletin board sign which exceeds the maximum area allowed for such signs, and hereby authorize the Zoning Administrator to issue a sign permit for the proposed sign as indicated on the attached sign permit application received on March 25, 2015.

By: Vice Mayor Senate

Second: Council Member Gray

Aye: Council Members Allar, Carder, Gray, Jones, and Senate

Nay: None

Abstain: None

Absent: Council Member McIntyre

B. Arbor Day Proclamation and Ceremony

Zoning Administrator Bateman presented this item. The Council is being asked to issue a proclamation designating April 22, 2015 as Arbor Day in the Town of Lovettsville. Mr. Bateman reported on plans for Arbor Day, including planting a tree on the Town Green.

Motion: I move to issue the attached proclamation in order to proclaim April 22, 2015 to be Arbor Day in the Town of Lovettsville, Virginia.

By: Council Member Jones

Second: Vice Mayor Senate

Aye: Council Members Allar, Carder, Gray, Jones, and Senate

Nay: None

Abstain: None

Absent: Council Member McIntyre

C. Tree Conservation Ordinance Amendment

Zoning Administrator Bateman presented this item. The Council is being asked to review, discuss, and schedule a public hearing on the draft amendment to Chapter 10, Article II (Tree Conservation) of the Town Code. Mr. Bateman noted that the proposed amendment replaces the Parks and Environment Board with the Tree Advisory Board and brings the ordinance into compliance with the state's enabling statute to authorize the Town Council to protect specific trees as memorial, heritage, specimen or street trees.

Motion: I move to advertise the proposed amendment to Article II of Chapter 10 of the Town Code for public hearing, as presented, on May 14, 2015.

By: Vice Mayor Senate

Second: Council Member Jones

Mayor Zoldos asked how this affects trees on private property. Zoning Administrator Bateman explained that trees on private property cannot be designated as heritage trees unless the property owner consents to it.

Aye: Council Members Allar, Carder, Gray, Jones, and Senate
Nay: None
Abstain: None
Absent: Council Member McIntyre

D. Clock Tower Design

Project Manager Fellers presented this item. The Council is being asked to consider approving a conceptual design agreement for the clock tower elements to ensure the base tower is designed and constructed so that future installation of the elements is possible. The clock tower elements will include up to three clock faces and a glockenspiel mechanism. Project Manager Fellers showed a video animation showing how the glockenspiel would work. Staff and the Council discussed the timeline and need to provide the developer, Lovettsville Square LLC, with specifications on the clock tower design so they can meet the requirements of Proffer 10A for this project.

Motion: I move that Town Council authorize the Mayor or Town Manager to sign the *Glockenspiel Conceptual Design Agreement* to be funded in FY 16 CIP but to be completed this spring. I further move that the Town Council direct the Parks Committee and staff to work with Christoph Paccard Bell Foundry to complete the conceptual design work needed to provide the necessary information to the developer concerning the design of the clock tower.

By: Council Member Carder
Second: Council Member Jones
Aye: Council Members Allar, Carder, Gray, Jones, and Senate
Nay: None
Abstain: None
Absent: Council Member McIntyre

E. VRA 2007A Loan Refunding Opportunity (WWTP Module 3)

Manager Palko presented this item. The Council is being asked to consider a refinancing opportunity for the VRA 2007A Loan for the Wastewater Treatment Plant Module 3. Manager Palko said this was originally presented to the Council last fall. Staff has looked at the refinancing opportunity again and determined that a potential cost savings of \$104,000 is possible between 2018 and 2027.

Motion: I move the Town Council approve Resolution 2015-04-0001 and direct the Mayor to sign the VRA Spring Pool Bond Resolution, which authorizes the Mayor and Town Manager to sign the VRA Financing Agreement, in order to allow the Town to proceed with refinancing the remaining VRA 2007A loan in order to achieve savings over 10 years starting in 2018.

By: Council Member Gray
Second: Council Member Jones
Aye: Council Members Allar, Carder, Gray, Jones, McIntyre, and Senate
Nay: None
Abstain: None
Absent: Council Member McIntyre

Mayor Zoldos called for a brief recess at 8:57 p.m. The meeting was reconvened at 9:07 p.m.

E. FY 16 Town Manager's Recommended Budget

Town Manager Palko presented his FY 16 Recommended Budget. He reviewed the budget highlights, an analysis of debt and reserves, the base budget, three budget balancing strategies, and his recommended strategy. Manager Palko noted the following:

- The Town currently does not delineate and manage its reserves and debt. The result is a projected long-term debt shortfall of \$1.7 million and an annual deficit of \$232,000 to pay off debt and fund reserves.
- By adopting a disciplined strategy the Town can achieve balanced budgets and pay off its debt.
- The recommended budget gets the Town out of its real annual deficits, enables the Town to pay down its debt, improves budget transparency, defines and funds needed reserve categories, and funds current service-level capacity.
- The recommended budget does not fully address the Town's current inability to finance new General Fund debt in order to execute important capital; or allocate personnel and overhead costs to programs in order to create a transparent and accurate Program Budget. These issues will be the focus of next year's budget.

Manager Palko said the General Fund Debt Service through FY 2031 is \$2.4 million. Meals and cigarette tax revenues are forecasted to be \$1.9 million, leaving a projected shortfall of \$500,000. He stated the Town will run out of its reserves by 2021 and will need to safeguard \$500,000 in a debt retirement fund to ensure it has enough revenue to cover debt. He recommended establishing multiple funding reserve accounts including a debt retirement fund, rainy day fund, 90-day cash on hand fund, operating cash fund, HR fund, 3RM (for Repair, Renewal, Replacement, and Maintenance work), and a new capital fund. Mr. Palko recommended a \$45,000 annual contribution to reduce financial risk exposure and to be able to pay down debt.

Manager Palko reviewed the Utility Fund Debt Service and noted the total remaining Utility Fund debt is \$5 million. There is \$3.2 million in availability fee revenues forecasted and \$2.1 million in total reserves to cover debt; however, \$2.1 million is needed for wastewater treatment plant fixes and water projects. This leaves \$3.3 million available to cover Utility Fund debt and a total projected shortfall of \$1.7 million. Manager Palko recommended setting up multiple funding reserve accounts for the Utility Fund just like the General Fund. He recommended starting at \$100,000 and increasing the amount by \$5,000 every year for debt retirement and an additional \$88,000 in annual contributions for reserves.

Manager Palko then presented the proposed FY 16 base budget for the General Fund and noted the changes from the previous fiscal year. He said that \$280,000 out the total \$400,000 increase is from showing debt payments and reserve contributions. The remainder is from accurately forecasting costs, full project management budgeting, and two new part-time employees.

Manager Palko reviewed projects in the 15-Year Capital Improvement Plan (CIP) and noted that the Town would have to borrow more than \$12 million over the next 16 years to fully fund the CIP, which is unrealistic. He said the Town will have to prioritize and identify new sources of funding. He recommended completing Phase 2 of the East Broad Way project, getting more parking downtown, moving forward with the Loudoun Streetscape Project, and looking into a modular option for Town Hall.

The Town Manager reviewed those projects show in the FY 16 Capital Budget including completion of the Phase 1 of the East Broad Way Project, improvements at Quarter Branch Park, an assessment for the modular building for Town Hall, the Drainage Ditch Project, the Clock Tower design portion, an Asset Management Plan, and an Economic Development Plan.

Manager Palko then reviewed the Utility Fund Income Statement, Revenues, Expenditures, 15-Year CIP, and FY 16 Capital Budget. He noted that \$800,000 of the \$918,000 increase in FY 16 is from showing debt payments and reserve contributions. The rest is from budgeting General Fund reimbursements, which has not been done in previous budgets. The FY 16 Utility Fund Capital Budget includes funding to correct wastewater treatment plant deficiencies, waterline replacements, radio read meter change outs, an asset management plan, and GIS update and water model calibration.

Manager Palko emphasized the Town is not likely to be able to borrow \$12 million to finance its General Fund Capital needs; therefore, the Town will need to focus on outside funding (such as grants), economic growth, a new dedicated revenue source, and prioritizing Capital needs and timing of projects. In summary, he said the Town needs a strategy for addressing its debt/deficit shortfalls while responsibly funding reserves and current service-level capacity.

Manager Palko then presented three budget balancing strategies including an Expenditure Cuts Option, Revenue Increases Option, and a Mixed Option and reviewed the cost and benefits of each strategy. Manager Palko said he recommended the Mixed Option for the following reasons:

- The Mixed Option has almost all of the benefits of the Revenue Only and Expenditure Only Options.
- While the Mixed Option has almost all of the costs of the other two options, the degree of negative impacts is not as great as each of these other options.
- Increased revenues from the Revenue Only option may be considered unacceptably high.
- The amount of service-level cuts and reserve fund depletion in the Expenditure Only options may be considered unacceptably high and risky.
- The Mixed Option is the only option that funds the reserve fund and funds current service-level capacity without raising taxes; however, there is an increase in user fees. It is the only option that will meet all of the Town's goals.

Manager Palko said the next steps are for the Town Council to review the budget options, get public input, select or amend a preferred option, set the tax and user fee rates, and approve the operating and capital budgets. Staff and the Council discussed previous real estate tax increases, revenue from decal sales, the water/sewer rate study and fees, and revenue projections for Town Center commercial.

Information Items

There were none.

Comments from the Mayor and Town Council

Councilwoman Carder reported on the next Mayfest Committee meeting.

Mayor Zoldos gave updates on Eggstravaganza, the Heritage Highlands meeting, the Lovettsville Community Park, the *Washington Post* article about the Town in the "Where We Live" column, the need for residents to report suspicious activity to the Sherriff's Office, and upcoming events.

The Council discussed scheduling a budget work session and agreed to meet on April 29 and 30.

Closed Session

There was no closed session.

Adjournment

There being no further business before the Council, the meeting was adjourned at 10:59 p.m.

Respectfully submitted,



Harriet West, Town Clerk

Date Approved: January 14, 2016

Attachments:

1. Written statement from Deputy Sheriff LoPreto

On Tuesday, April 7, 2015, a social media frenzy started on a local Facebook page which caused concern for many residence of two adjacent community's within the Town of Lovettsville.

Investigation of the facts and circumstances surrounding the postings found the following:

At approximately 2:30 in the afternoon someone posted that a stranger had entered a home, into which they were moving, as a roommate, through a sliding glass door, which had been left open, while they were in an upstairs bathroom. The person who went to investigate the event armed themselves at first with a knife and later a firearm, after finding the open door had been closed. The person than posted this information on a social media account. The flurry of post on this site which followed resulted in a text message to me inquiring about a home invasion robbery which was taking place in Lovettsville.

While I was attempting to get a handle on this post and identify the location and sender, who it appeared nobody knew and had who had never posted on this Facebook Account before, the Sheriff's Office received a call, around 3:30 p.m., for an open door to a residence, which had occurred at 5 o'clock that morning. This call appears to be a result of the first post along with prompting from others on the site for the posting party to call the Sheriff's Office and report their event.

At 4:30 p.m. the poster of the first event called the Sheriff's Department to report that incident.

The third and final call came to the Sheriff's Office at 7:30 p.m. This was for a report, from a property owner, who heard a noise outside the home at 0800. At 1:30 in the afternoon the party noticed a screw from a sliding door missing and some weather stripping out of place in the location they had heard the morning's noise. It is unknown to me if this caller was alerted to the other activity in the neighborhood via Facebook, word of mouth or at all.

Were these incidents related? Were these the result of criminal activity? Were they just the actions of a helpful neighbor who closed a door of somebody they believed to be at work and accidentally left this door open which caused two others to re-analyze what could have been a windblown door and the winter's ice buildup and freezing weather will never be known, mostly due to the delay in the reporting of the incidents.

Just weeks after your Mayor cautioned you about not notifying the Sheriff's or Fire Department of incidents while they were in progress and instead posting this information on Facebook it happened again.

Had the original poster notified the Sheriff's Office at the time of the event, 3-4 deputies, a supervisor and if working a K-9 Unit would have responded to the call. A perimeter would have been set, a track established and canvass conducted. Possible the helpful neighbor or ~~the~~ ^{an} unwanted visitor to the neighborhood could have been identified.

Had the 5 a.m. event been called in 2 or 3 deputies would have responded, roving patrols would have been conducted and whether or not the deputy was standing on a windy front porch would have weighed heavy into the decision to increase patrols in the area for the day.

Had the 8 a.m. call been made, if it was criminal activity, would it have been thwarted by 5 a.m. response? We do know the saturation of extra patrols assigned to the Town, as a pre-caution, due to the possibility of the relationship of the three events would have started 4 hours earlier.

Had this been a phishing expedition by a person or group with criminal intent, how many posted their location at the time of the incident, whether they have alarm systems, weapons, dogs or other types of security protection for their home? How many made posted in reference to their children's location, age, gender, school at the time of the incident?

As the Mayor did previously, I will now ask you, the citizens, of the Town of Lovettsville, on the Public Record, to please notify the Sheriff's Department of any event you find suspicious or out of place, in a timely manner, to allow us to respond in that timely manner, with the hope of identifying persons who have criminal intent towards you and your community and to please refrain from posting personal information and pictures on social media sites which could identify you, your family member's names, ages, gender and locations which could place you or them in jeopardy.