

The Town of Washington

"THE FIRST WASHINGTON OF ALL"

April 14, 2014
7:00 p.m.

Town Council Meeting Approved Minutes

- CALL TO ORDER: Mayor Sullivan called the Town Council to order at 7:03 p.m. Council members Jerry Goebel, Gary Schwartz, Patrick O'Connell, and Dan Spethmann were present. Council member Mary Ann Kuhn arrived at 7:50 p.m. due to work obligations. Council member Alice Butler was absent. Town Attorney John Bennett and Town Clerk Laura Dodd were present. _

Mayor Sullivan discussed that a big weekend was coming up in town that included the opening up of the Parsonage, the Inn's newly renovated building with six new rooms and also Tula's restaurant was opening up under the new management of Ken Thomson on Friday.

- MINUTES: December 9, 2013 minutes: Mr. Goebel made a motion to approve the minutes of October 14, 2013 and Mayor Sullivan seconded and the motion passed 5-0.

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

Mayor Sullivan made a motion to accept the Treasurer's Report and Mr. Schwartz seconded and the motion passed 5-0.

Planning Commission: Chairman Schwartz reported that the Planning Commission still had one vacancy.

Architectural Review Board: Mayor Sullivan reported that at the last ARB meeting the committee had approved an application from him and his wife for improvements to their house.

Website: There was no report.

- TOWN ATTORNEY: Mr. Bennett had no report.
- OLD BUSINESS: a). Avon Hall Update: Mayor Sullivan asked Mr. Spethmann to give a report on Avon Hall. He discussed that town residents Mr. Judd Swift and his wife, Gail Swift, were present and that Mr. Swift wished to make a few comments.

Mr. Spethmann discussed that the most interesting development that had taken place since the last meeting was that Mr. Swift was interested in joining the Avon Hall group.

Mr. Swift discussed that he and Mr. Butch Zindel had approached the Mayor with a concept for Avon Hall that they had talked through at some length. He discussed that he had spent ten years in the hotel business in Washington, D.C. and two and a half years at the United States Travel and Tourism Administration, which no longer existed, where he was Special Assistant to the Under Secretary, and that he had some knowledge of the tourism area and more importantly of the tourism dollar and the multiplier effect of those dollars. He discussed that the idea he and Mr. Zindel had come up with was that Avon Hall could become a top notch, top rated board meeting center, a strategic meeting place for corporations and CEOs and associations. He discussed that Avon hall was a good location in regards to Richmond, Washington, D.C., and Charlottesville. He discussed that the environmental work being done on Avon Hall was going to make Avon Hall beautiful. He discussed that if Avon Hall was to be a high end board meeting space a feasibility study would have to be done. He discussed that the point was to bring people in to sleep in the beds and to go shopping and to put the multiplier effect of those dollars into the economy here creating good quality jobs. He discussed that Avon Hall was a valuable asset. He discussed that the town had practically the number one brand in the world here with the Inn and that people knew and respected the brand and that Avon Hall could become a money winner for the town and would bring people with money into town during the week. He discussed that he and Mr. Zindel were anxious and willing to sit down and discuss it with the Town.

He expressed his concerns about safety regarding cars and motorcycles speeding on Main Street in front of his house.

Mayor Sullivan discussed that several years ago speeding on Main Street was a significant issue with the end result being that a stop sign was installed, which had been helpful.

Mr. Bennett discussed that the Town could ask the Sheriff to step up enforcement.

Mr. Spethmann discussed that he and Ms. Kuhn were leading the conversation with several others on Avon Hall and he welcomed Mr. Swift's and Mr. Zindel's participation. He discussed that Mr. Swift had raised a major point which was that when the group reported back to the Council a feasibility study would be required.

Mayor Sullivan reported that the Avon Hall roof had been painted and that the Town had received a proposal, attached to paint the front and left porch side of the building from Mark's Painting and another to paint the whole building.

Ms. Dodd reported that Mr. O'Connell had expressed concerns that the proposals might not have taken into consideration the condition of the wooden siding and that Mr. Ferris had responded that he stood by his original quote for the front but could not for the entire building as the siding in the back of the building was in very bad shape.

Mr. Goebel spoke in favor of painting at least the front and porch side of the building.

Mr. Spethmann discussed that Avon Hall was deteriorating rapidly and spoke in favor of having the front and both sides painted.

Mr. O'Connell discussed that Avon Hall was a symbol of the town's heritage and the Town did not want it to be a demolition by neglect.

After a short discussion, Mayor Sullivan made a motion to approve \$7,200 to paint the front and porch side of Avon Hall and up to an additional \$2,500 to paint the west side and Mr. Goebel seconded and a roll call vote was taken:

Mr. Schwartz voted "yes"

Mr. Goebel voted "yes"

Mr. O'Connell voted "yes"

Mr. Spethmann voted "yes"

Mayor Sullivan voted "yes"

And the motion passed 5-0.

b). May 17th Music Festival Update: Mr. Spethmann reported that he would be contacting Ben Jones and Alma Viator to make sure that fencing would be put up to protect the work being done around the Avon Hall pond, and to discuss parking, insurance, and having the event put up on the Town's web site.

c). Wastewater System Update: Mayor Sullivan discussed that there had many issues recently at the Wastewater Treatment Plant resulting from equipment failures and exacerbated by the cold weather. He discussed that most of what needed to be done had been done or was in the process of being done and that the water quality was much improved. He discussed that he, Ms. Dodd, and Mr. Don Hearl had met that morning with DEQ to update DEQ on what the Town was doing to resolve the situation. He discussed that the fixes appeared to be working but it was costing a lot of money.

Mr. Schwartz asked for a clarification regarding the DEQ visit.

Mayor Sullivan discussed that the visit was a follow-up to the warning letter DEQ had sent the Town regarding the Town being over the limit in a few areas and that the Town had invited DEQ to see how the Town was dealing with the problem. He discussed that DEQ would be reporting back to the Town in about a month.

Mr. Schwartz discussed that the problems with the SBRs were a priority and that the generator was still an issue.

Mayor Sullivan discussed that he would follow up on those issues with ESS.

Mr. Goebel suggested that Mr. Ferris of Mark's Painting should have a completion date for the Avon Hall painting before the Music Festival and the Council agreed by consensus that the painting should be completed by May 7th. Mr. Goebel discussed that the Avon Hall grounds needed to be cleaned up and Mayor Sullivan agreed to ask Mr. Wenk to do the cleanup.

Ms. Kuhn arrived at 7:50 p.m.

d). FY 2014-2015 Budget: Authorize Public Hearing: Mayor Sullivan discussed that the Council would be reviewing the proposed budget with the idea that they would authorize a public hearing for the May meeting and then approve it at the June meeting.

Mr. Bennett discussed that once the budget was advertised the expenses and revenues amounts could go down but not up.

Mr. Goebel and Mayor Sullivan reviewed the Town, Water, and Wastewater budgets line item by line item, with Meals and Lodging Taxes being the biggest income item, which was increasing to \$360,000 based on expected income from new rooms and restaurants.

Mayor Sullivan discussed a sheet he had distributed to the Council, attached, which showed revenue versus expenses and that while the Town revenues exceeded expenses both Water and Wastewater expenses exceeded revenues and had to be supplemented by transfers from the Town's revenue.

He discussed that it led to a discussion that water rates needed to be raised and that the water rates had not been raised in almost twelve years and that although the financial model for the wastewater system had called for a rate increase of 3% a year that had not been done. He discussed that the Town needed to look at the subject and that Sperryville had raised its rates substantially in the last year. He also discussed that the water and wastewater loans called for user charges to pay for operations.

Mr. Spethmann discussed that the water and wastewater systems were in the hole for about \$150,000 this year and for about \$77,000 in the coming year and that the Town revenues were subsidizing them both and asked if that was the purpose of the Town revenues and did that enhance the Town. He discussed that perhaps the Town revenues should be going to enhance the town with improvements to infrastructure such as lighting and sidewalks. He discussed that the Town needed to come up with a plan to work towards not having to subsidize water and wastewater and they should become self-sufficient particularly if that was part of the loan agreements.

Mayor Sullivan discussed that money had to be spent on water and wastewater but he wanted to put more money into infrastructure and into making the town attractive.

Mr. Schwartz discussed that the Town, through Meals and Lodging Taxes was paying for water and wastewater, which the citizens would normally be paying out of pocket and it was coming out of the Town's pockets.

Mr. Spethmann asked if in the financial model for the wastewater system there had been a projected increase in the rates.

Mayor Sullivan discussed that the model had called for an annual increase of 3%. He discussed that when the sewer system was put in people had had to pay a lot of money so it had been a conscious though not a frivolous decision to delay rates because of people having to pay the sewer assessments.

Mr. Spethmann discussed that the Town was spending money on wastewater for worn out equipment and that it should be building up a reserve to cover those types of costs in the future.

Ms. Kuhn asked about Sperryville's rates.

There was a short discussion regarding Sperryville not having water meters so that it was hard to compare but Mayor Sullivan indicated that they had recently raised their rates by about 29%.

Ms. Kuhn discussed that it always came back to raising the rates but no one would do it.

Mr. Spethmann and Mr. Goebel both said that they supported raising the rates.

Ms. Kuhn asked what would be the next step in the process for raising the rates.

Mr. Bennett discussed that a rate increase could be advertised as part of the budget or could be advertised after the budget was adopted.

Mayor Sullivan discussed that he felt a few people on the Council should look at alternatives for a rate increase and discussed that a 20% increase would only raise about 10 to 13,000 dollars and that those dollars would not be distributed evenly amongst the users.

Mr. Bennett discussed that typically the rates would be increased to cover the deficit.

Mayor Sullivan discussed that the goal was to at least get started on the track of raising the rates.

Mr. Bennett discussed that if a committee was formed and the Council agreed to raise the rates after the Council approved the budget then the budget would have to be advertised and amended and that an Ordinance of a rate increase could be advertised and adopted at the same time.

Mayor Sullivan discussed that he was prepared to work with another Council member in looking at the rates.

Mr. Goebel volunteered to work with the Mayor.

Mayor Sullivan discussed that it was his intent that as the Town worked on its finances the goal was to increase revenues coming into town through organic growth and people coming into town and to take that increased revenue not just to cover water and

wastewater but to build infrastructure and things that made the town more attractive and brought in more people. He asked if everyone was on the same page on that.

Mr. Schwartz said yes.

Mayor Sullivan discussed that the town was going through a significant change with more businesses opening up and more people coming and it was his own personal goal that although the Inn was now the destination point he hoped to make the town itself the destination point together with the Inn.

Mr. O'Connell agreed with the Mayor and discussed that the Town and the Inn had come full circle and now were in harmony with their goals and working together. He discussed that the Trinity Church, the Town, and the Inn had worked together to improve the parking lot in the center of town, which was a good illustration of what could happen. He discussed that most people did not know how much effort, energy, and money the Inn spent on its efforts to bring people here. He discussed that the Inn spent a colossal amount of money trying to attract people here and to help better the town. He discussed that there would hopefully be more for people here.

He discussed that when he first started out people asked him what was he doing in this ugly dump of a town and now people said what a charming town it was. He discussed that it had only taken 36 years and that he was extremely excited about the next 36 years. He discussed that unlike most towns, the illustration of the Inn's quality had proved that aiming high ultimately won over crass commercialism and had benefited everyone. He discussed that the Town had unlimited potential by aiming high and bringing in artisans and people with taste and vision to share similar goals, which was very exciting, but people needed to keep in mind that with every corner that was turned the Town could have gone in the opposite direction and ended up with a little, crass commercialized tacky tacky type of place. He discussed that Peter Kramer needed to be recognized as the first to recognize the potential of what was here with its colonial charm and architecture and in having the vision to start fixing up some of the buildings. He discussed that when the town was bypassed it began to suffer and decay and it could have easily become a nasty hamlet full of gas stations and strip malls which pulled in a low type of tourist, who littered, caused trouble, and did not pay Meals and Lodging Taxes. He discussed that a direction had been established and that collectively the people and the Town could continue to work together to bring in a quality visitor or tourist who appreciated what the town had and who could contribute to it and that the Town would have something amazing and that property values would go out of sight.

Mayor Sullivan discussed that the Town had something unique and though he was in favor of growth he did not want to do anything that screwed up what makes it special.

Mr. O'Connell discussed it was not just the museum quality of the town and that most people would be surprised at how poorly Williamsburg was doing in attracting tourists, as were most National Trust properties, and that the Town needed to have a vitality that was authentic but real and to not try to be something it was not and the balance was very, very tricky. He discussed that he thought that the Town was a romantic destination and was perceived to be a culinary destination but he reminded everyone that the higher people aimed the better the quality of visitors that would be attracted that would be less taxing on the facilities. He discussed that one day the town would need to have some public bathrooms.

Ms. Gail Swift discussed that she was in favor of a water rate increase and discussed that she had gone through the Sperryville increase from \$85 a quarter to \$200 a quarter but because of the way it was advertised and discussed publicly it was accepted without too much angst by the users and she offered her help to the rate increase committee.

Mr. Spethmann made a motion to authorize and advertise the budget as presented and amended that evening, attached, for a public hearing at the May Council meeting and Ms. Kuhn seconded and a roll call vote was taken:

Mr. Schwartz voted “yes”	Mayor Sullivan voted “yes”
Mr. O’Connell voted “yes”	Mr. Goebel voted “yes”
Ms. Kuhn voted “yes”	Mr. Spethmann voted “yes”

And the motion passed 6-0.

e). BZA Vacancies: Mayor Sullivan discussed that there were three vacancies on the BZA and that George Eatman and Jeff Benson had volunteered to serve and would be making applications to the Circuit Court.

Mr. Goebel made a motion to authorize the Mayor to send a letter to the Circuit Court Judge endorsing Mr. Eatman and Mr. Benson for appointment to the BZA and Mr. Schwartz seconded and the motion passed 6-0.

- NEW BUSINESS: a). RappFlow Department of Forestry Grant: Mayor Sullivan discussed that the Town had received a grant of \$1,875 from the Department of Forestry on behalf of RappFlow to plant native plants around the Avon Hall pond. He discussed how much work RappFlow and the Master Naturalists had done on the pond and the trail.

Mr. Spethmann recommended that the Town should hold a party for all the volunteers who had been working on the trail and the pond.

b). Food Pantry Day: Mayor Sullivan discussed that May 10th was Food Pantry Day and that the Town had supported the Pantry in the past and made a motion that the Town contribute \$1750 to the Food Pantry and Mr. Goebel seconded and a roll call vote was taken:

Mr. Schwartz voted “yes”	Mayor Sullivan voted “yes”
Mr. O’Connell voted “yes”	Mr. Goebel voted “yes”
Ms. Kuhn voted “yes”	Mr. Spethmann voted “yes”

And the motion passed 6-0.

c). Country Water Proposal to Repair Broken meter: Mayor Sullivan discussed that the Town had received a proposal from Country Water to replace Ms. Butler’s broken water meter. After a short discussion, the Council agreed by consensus to table the proposal until further information could be obtained as to whether the Town already had a spare meter and to get a better break down on time and materials from Country Water.

Mayor Sullivan discussed that the Town had received a request from the Rappahannock Farm Tour to use the Avon Hall grounds to again hold the Artisans’ Market, which would be on September 27th and 28th. The Council agreed by consensus to allow the Artisan’s Market to be held on the Avon Hall grounds.

- PUBLIC FORUM: Mayor Sullivan opened the Public Forum:

Mayor Sullivan closed the Public Forum.

- CLOSED SESSION:

ADJOURNMENT: At 9:03 p.m. Mr. Schwartz made a motion to adjourn and Mayor Sullivan seconded and the motion passed 6-0 and the meeting was adjourned.

NEXT REGULARLY SCHEDULED COUNCIL MEETING TO BE HELD ON MAY 12, 2014

Respectfully submitted,

Laura Dodd
Town Clerk

Attachments:

Treasurer's report
Additional Bills to be Paid
Bills to be Paid
Mark's Painting Avon Hall proposal
FY 2014-2015 Budget for Public Hearing
Mayor Sullivan's Budget document