

TOWN COUNCIL SPECIAL MEETING JUNE 9, 2011

**Town of Round Hill
Town Council Special Meeting
Thursday, June 9, 2011
7:30 p.m.**

A Special Meeting of the Round Hill Town Council was held Thursday, June 9, 2011 at 7:30 p.m. at the Town Office, 23 Main Street, Round Hill, Virginia.

TOWN COUNCIL MEMBERS IN ATTENDANCE

Scott Ramsey, Mayor
Mary Anne Graham, Vice Mayor
Janet Heston
Christopher Prack
Clarkson Klipple

TOWN COUNCIL MEMBERS ABSENT

R. Daniel Botsch
Jennifer Grafton Theodore

STAFF MEMBERS PRESENT

John Barkley, Town Administrator
Betty Wolford, Treasurer
Maureen Gilmore, Town Attorney
Susanne Kahler, Recording Secretary

IN RE: CALL TO ORDER

Mayor Scott Ramsey called the meeting to order at 7:32.

IN RE: PLEDGE OF ALLEGIANCE

Vice Mayor Mary Anne Graham led those present in the Pledge of Allegiance.

IN RE: APPROVAL OF AGENDA

Vice Mayor Mary Anne moved that the agenda be approved with the addition of Council Comments at the end of the meeting, prior to the Council convening a closed session.

Christopher Prack seconded her motion to approve the agenda as amended.

The motion passed 4-0-0.

IN RE: CIGARETTE TAX ORDINANCE

Town Administrator John Barkley affirmed that proper notice had been given as required by law by advertisements in May and the completion of a Public Hearing May 19, 2011. The Town Attorney reviewed the Proposed Amendment the Code of Ordinances, specifically Article IV, which was given to the Town as a template by the Northern Virginia Cigarette Tax Board and with minor editing, presented to the Town Council at tonight's meeting for approval as a legislative act by the Town Council to impose said levy. If approved, the cigarette tax would become part of the proposed tax rates and revenue to follow in the upcoming budget and tax rates sections of the agenda still to be addressed.

Vice Mayor Mary Anne Graham moved that the Town Council adopt the ordinance amending Chapter 21, Taxation and Licenses generally: to include Article IV, Cigarette Tax. Councilperson Janet Heston

TOWN COUNCIL SPECIAL MEETING JUNE 9, 2011

seconded her motion. Councilperson Heston asked if the definition of cigarettes also included cigars. Town Attorney Maureen Gilmore said she thought they used cigarette generically so that seemed to be the word that the Board seized on as there were various terms used to refer to cigars. Councilperson Clarkson Klipple said that he wanted this tax for the future in lieu of raising property taxes.

The ordinance carried 4-0-0.

IN RE: FY 2012 BUDGET

Maureen Gilmore, Town Attorney, suggested two separate motions as there were two separate Public Hearings. As cigarette fees were included in rates and fees, Mayor Ramsey suggested they address this first and then adopt the budget following. That course of action made sense to him in case someone wanted to argue on the rates; they could then adjust the budget to match.

IN RE: FY 2012 TAX RATES AND FEES

Vice Mayor Mary Anne Graham moved to adopt the rate and fee schedule as part of the proposed Town of Round Hill budget for fiscal year 2012. Councilperson Christopher Prack seconded her motion.

Mayor Ramsey asked if anyone had any discussion on the rates advertised.

Councilperson Clarkson Klipple said he did, but just on the cigarette tax.

Mayor Ramsey: "That is why I wanted to put it first, just in case. So, you would like to propose a different cigarette tax?"

Councilperson Clarkson Klipple: "Lower or none, because I'd like it for the future, in lieu of raising real estate taxes."

Councilperson Janet Heston: "I also would like to lower them because I feel that since this is just starting, 15 cents is too much."

Vice Mayor Mary Anne Graham: "I think Scott or John checked the rates and 15 cents was a lot lower than some neighboring towns."

Councilperson Janet Heston: "I think there are some that are lower. Hamilton was none and Lovettsville..."

"Lovettsville is 40 cents," said John Barkley, Town Administrator, "Lovettsville, Purcellville and Leesburg are all much higher, and then Middleburg is 50 cents. I think 15 is pretty reasonable."

Mayor Ramsey stated that, "When we were having the debate and trying to determine what we would advertise, the initial discussion had been 20 and there was 50-50 to a slight majority in favor of 20 cents but yourself (Janet Heston) and Clark (Klipple) were suggesting 10 or even lower than 10 and we compromised for the purposes of advertisement between 10 and 20 so we chose 15. Do you seek another compromise now?"

Councilperson Janet Heston: "I would request that, yes. I would request that we would consider a 10 cent per pack tax."

Town Attorney Maureen Gilmore: "The motion that you have on the floor is to adopt the rate and fee schedule. I would suggest that you separate/split the question to take the cigarette tax out and take care of the other rates and fees first and then go to a discussion where a new motion could be made."

Councilperson Janet Heston: "We can't just amend the one that's on the table?"

Maureen Gilmore, Town Attorney: "The one that is on the table includes all of them."

Vice Mayor Mary Anne Graham: "Can I amend it?"

Mayor Ramsey: "Let's take Maureen's approach. Does that sound like a reasonable course to everybody? Do I hear a motion to separate the question?"

Councilperson Janet Heston: "I make a motion to separate the question and take the cigarette tax out to discuss at a later time."

TOWN COUNCIL SPECIAL MEETING JUNE 9, 2011

Councilperson Clarkson Klipple seconded her motion. **The motion passed 3-1-0 with Vice Mayor Mary Anne Graham voting nay.**

Mayor Ramsey: "OK, question separated. So first we will deal with everything **BUT** the cigarette tax. So do we need a motion to approve everything but the cigarette tax?"

Maureen Gilmore, Town Attorney: "Mary Anne(Graham) already made it "

Mayor Ramsey: "So we will go back to the principal question which will cover everything except the cigarette tax and there is a motion on the floor to adopt the rate and fee schedule and that motion has already been seconded. . This vote will not affect the cigarette tax – it will affect everything else. If there is any further discussion of anything **BESIDES** the cigarette tax we can have that now, if there is no other discussion then we can vote."

The motion to approve the tax rates and fees **WITHOUT** including the cigarette **tax passed 5-0-0. (with Mayor Ramsey voting).**

"Now we will take up the separated question of the cigarette taxes, said Mayor Ramsey, "you would like ten?"

Councilperson Janet Heston: " I would like ten."

Councilperson Clarkson Klipple" I vote ten."

Vice Mayor Mary Anne Graham: "15."

Councilperson Christopher Prack: "I think that with everything considered, our neighbors and everything else, 15 seems more than reasonable and it was already advertised at 15 so.. I know we don't have to change it going lower but we advertised it at 15 and no one came in to complain about it. So we should just move forward as it is."

Councilperson Heston: "One store owner was here but he did not speak. He has spoken to several council members in reference to being concerned about it the effect on his business. And I believe the other store owner spoke to someone else on the staff about it."

Vice Mayor Mary Anne Graham: "Do they understand that how it will work?"

Councilperson Janet Heston:"Yes, they understand that, they understand that it is in lieu of raising taxes and they actually said that if you have to, go ahead and do it but there were concerns."

Mayor Ramsey: "If we are equalizing our rates this year, the cigarette tax is helping us do that at the 15 cent rate . When we drop it from 15 to 10 we are taking essentially 10,000 dollars out of the general fund. And so, that 10,000 - if we were to try to adjust the budget that we are voting on next – where will we find that additional ten thousand dollars? So that will either come out of reserve or that will come out of property taxes or it will come out of somewhere else. Just so you know, that is the implication."

Town Administrator John Barkley: "27,000 is what is plugged into the budget as projected cigarette tax revenue."

Mayor Ramsey: So that would be 9,000 for every nickel. That is approximately a penny and a half on the tax rate so we would need to go up to 23 cents or pull it out of the budget somewhere else; make some other cuts. My take on this is that we had this debate already and we sort of compromised at 15. I think that we could have, there was a majority of 20 at the time but in the interest of compromise we went down to 15 to try to get a consensus number."

Councilperson Janet Heston: "Do you need a motion to approve it?"

Mayor Ramsey: "The motion is on the floor already from the separated question so the question on the floor right now is the cigarette tax – do approve 15 cents. You can suggest a substitute motion or we can vote it down and try again with something else. "

Maureen Gilmore, Town Attorney: "You need to have two votes majority of the council for the specific rate."

Mayor Ramsey: "So that means 5 total so we need unanimity."

TOWN COUNCIL SPECIAL MEETING JUNE 9, 2011

Councilperson Clarkson Klipple: "But we can see in a couple months if it is meeting what we thought it would be."

Mayor Ramsey: "We would be able to alter our fee schedule at any time throughout the year, as long as we advertise that and have another meeting like tonight."

Councilperson Clarkson Klipple: "Do we need to have another Public Hearing?"

Town Attorney Maureen Gilmore: "Yes, because you've adopted a tax rate; assuming you've adopted a tax rate, you would have to have a public hearing to change that tax rate. You can do that at any time during the year."

Town Administrator John Barkley: "You won't start realizing the revenue until August. "

Mayor Ramsey: "I think Chris could call the question."

Councilperson Christopher Prack: "Call the question."

The motion to set the cigarette tax rate at 15 cents passed unanimously 5-0-0 with Mayor Ramsey voting.

IN RE: FY 2012 BUDGET

Councilperson Clarkson Klipple moved to adopt the Fiscal Year 2012 budget as presented.

Christopher Prack seconded his motion. **The motion passed unanimously 5-0-0 with Mayor Ramsey voting.**

IN RE: RESOLUTION 2011-5: FY 2012 APPROPRIATIONS

Vice Mayor Mary Anne Graham moved to adopt Resolution 2011-5 allowing appropriations to be made from the Fiscal Year 2012 budget just approved.

Town Attorney Maureen Gilmore requested that the Council first amend the date on the resolution from June 16, 2011 to June 9, 2011. Vice Mayor Mary Anne Graham so moved. Clarkson Klipple seconded her motion. **The motion passed unanimously 5-0-0 with Mayor Ramsey voting.**

IN RE: REFUSE REMOVAL CONTRACT

Town Administrator John Barkley said that the original contract signed for Town trash and recyclable hauling was good only through 2010, however, an option existed where the Town could extend the contract for an additional year with the hauler's consent. The contract has a 1.5% escalation built in, however, it is still a very good price according to Mr. Barkley, averaging \$16 a month for each taxpayer within the Town. The contract also precludes the. From raising rates for fuel, etc. throughout the additional year.

Councilperson Christopher Prack moved to accept the addendum which extends the refuse removal contract for an additional year. Councilperson Janet Heston seconded his motion. **The motion passed unanimously 4-0-0.**

IN RE: WESTERN LOUDOUN SHERIFF'S SUBSTATION WATER AND SEWER AGREEMENT

Mayor Ramsey said he and other Town government members met with representatives from the County and discussed the frustrations they were encountering regarding the lack of progress in this matter.

There is a copy of the water and sewer agreement in the County Administrator's office, according to Town Administrator John Barkley, however, the matter is still not even on the radar of the Board of Supervisors at this time, nor is it anywhere on their agenda schedule for a vote.

Mayor Ramsey asked that the Town Council authorize the Mayor to sign the Water and Sewer Agreement for the Western Loudoun Sheriff's Substation as presented, so that he may take the agreement to the County and tell them all that is lacking is their signature for the agreement to take effect. Vice Mayor Mary Anne Graham moved that the Town Council authorize Mayor Ramsey to present the County with said signed agreement and to come back to the Town Council if any further

TOWN COUNCIL SPECIAL MEETING JUNE 9, 2011

changes are made by the County. Councilperson Janet Heston seconded her motion. **The motion passed 4-0-0.**

IN RE: COUNCIL COMMENTS

Vice Mayor Mary Anne Graham expressed her incredulity that no one had come forth to claim the items left at the Town Park from the Hometown Festival. It was suggested that notice be posted at the Post Office and also on the Town's website, not just the Hometown Festival's. She also noted that she thought Councilperson Botsch was going to invite the Town citizens affected by the Main Street Enhancement Project to the next Land Use meeting and have Stantec representative Dave Bowers attend as well.

Councilperson Christopher Prack brought the Vice Mayor up to date on the matters discussed at the last Town Council meeting, including the option to create a conceptual design depicting the intended changes. Town Administrator John Barkley said that by the next Town Council meeting, he should have a street view rendering with Photoshop 3-D enhancements to show the Council members.

Vice Mayor Mary Anne Graham also asked for a clarification on the upcoming Public Hearings scheduled for June 16, 2011. If no quorum of Council members is present, the Town must readvertise and reschedule for another Public Hearing date. The Planning Commission, however, can go ahead and conduct their portion of the joint public hearing, provided they have a quorum.

Mayor Ramsey suggested that they cancel the Town Council meeting scheduled to immediately follow the June 16, 2011 Public Hearings. There was agreement amongst Town Council meetings to do so as the pressing business had been taken care of at tonight's meeting and they did not anticipate being able to have a quorum on the 16th to conduct business.

IN RE: CLOSED SESSION

Vice Mayor Mary Anne Graham moved that the Round Hill Town Council recess its regular meeting and convene a closed session with the Town Attorney regarding actual litigation matters requiring consultation with legal counsel, as authorized by Code of Virginia of 1950, Section 2.2-3711 (A) (7). The following staff members were invited to attend to closed session:

John Barkley, Town Administrator and Maureen Gilmore, Town Attorney.

Councilperson Janet Heston seconded her motion. **The motion passed unanimously 4-0-0.** The regular meeting was closed at 8:30 p.m.

IN RE: ADJOURNMENT

With no further business or comment, The Town Council meeting was adjourned at 9:35 p.m., immediately following its return from the closed session.

RESPECTFULLY SUBMITTED:

Scott Ramsey, Mayor

Susanne Kahler, Recording Secretary

