



**Minutes of the  
Colonial Beach Town Council  
Work Session held on  
Wednesday, March 6, 2019 at 6:00 p.m.**

Colonial Beach Town Center  
22 Washington Avenue

**Present**

Eddie Blunt, Mayor  
Robin Schick, Vice Mayor  
Frank Alger, III, Council Member  
Steve Cirbee, Council Member  
Patrick Ey, Council Member  
Dallas Leamon, Council Member  
Vicki Roberson, Council Member

**Absent**

All Council Members were present.

**Also Present**

Town Manager, Quinn Robertson  
Town Attorney, Jim Cornwell  
Town Clerk, Kathleen Flanagan  
Deputy Town Manager, Rob Murphy  
Zoning Administrator, Allyson Finchum  
Chief of Police, Bruce Hough  
Financial Consultant, Gladys Gomez

**Call to Order**

Mayor Blunt called the meeting to order at 6:00 p.m.

**Roll Call of Members**

Mayor Blunt noted that all Council Members were present.

## **Approval of the Agenda**

Mr. Leamon made a motion to approve the agenda as written. Mr. Ey seconded the motion.

Mayor Blunt called for a roll call vote. Mr. Alger voted “aye,” Mr. Cirbee voted “aye,” Mr. Ey voted “aye,” Mr. Leamon voted “aye,” Ms. Roberson voted “aye,” Ms. Schick voted “aye,” and Mayor Blunt voted “aye.”

*The motion to approve the agenda as written passed with a unanimous vote of council members.*

## **Presentations**

### **Gladys Gomez, Analysis of Town Revenues**

Ms. Gomez provided Town Council a handout of a power point presentation.

Ms. Gomez explained that this is not projections, but historical data and illustrates the types of revenues the town has.

Ms. Gomez reported that she has been meeting with department heads and working on detail for the upcoming budget.

Ms. Gomez noted that best practices include: preparing a budget that is transparent and understandable; develop a revenue book; develop models to forecast revenue; and adopt the annual budget for subsequent fiscal year along with the Capital Improvement Plan.

As of January 1, 2019 the town has collected \$3,994,668 in revenue.

Historical data and vertical analysis for revenue categories was presented for fiscal years 2015, 2016, 2017 and 2018, including specifics for real estate taxes; personal property taxes; local sales and use taxes; business license taxes; lodging, meals and cottage taxes; and, local sales and use taxes.

Mayor Blunt discussed the downward trend in revenue shown in the Building and Zoning Department and, with agreement from Town Council, requested staff to provide feedback on the trend.

Ms. Finchum noted that she had separated bond revenues from permit fees, but does not know if previously the bond money had been separated.

Mr. Cirbee noted that at one time sewer and water connection fees were collected in the Building Department and now are collected differently.

Ms. Gomez also discussed non-operating revenue, such as debt proceeds and transfers in.

Ms. Gomez noted that local sales tax is remitted to the state and then the state sends a certain amount of that to Westmoreland County; the county then distributes a check to the town for 20.3 percent of that amount, which is the percentage of town population within the county as determined by Weldon Cooper.

Mayor Blunt asked for clarification: if \$100,000 is sent to the state from the town, then 20% is what the town receives back.

Ms. Gomez responded saying: she has asked and would like to study this further.

Ms. Gomez indicated that business license revenue has declined.

Mayor Blunt asked if having real estate tax as the biggest contributor to revenues ‘healthy’ for communities.

Mayor Blunt noted that 52% of the homes in town are owned by weekenders who do not require full time services.

Ms. Gomez responded that she felt this was common.

Ms. Gomez then noted that state highway funds can only be used for road maintenance and does not really add to general revenues, as state enforcement assistance funds.

Ms. Gomez noted that forecasting operating revenue in the budget was stable in 2015 to 2016, then in 2016 to 2017 and 2017 and 2018, the models show a downward trend in forecasting operating revenue.

On February 20 the Commissioner of the Revenue published estimated assessed values, which shows an increase in assessments.

Mayor Blunt suggested the town utilize depreciation/replacement schedules for town-owned equipment.

Ms. Gomez noted that real estate taxes are paid twice a year, with one payment arriving in June, at the end of the fiscal year. Ms. Gomez suggested Town Council consider looking at this in order to determine how the town can have a better revenue flow.

Ms. Schick asked what the FY 19 budget number was for revenue.

Mr. Ey responded “\$6.9 million.”

Ms. Schick asked if the FY 19 projection will have the ten cent real estate tax increase.

Ms. Schick asked about budget to actuals for FY 19, where the budgeted revenue was \$700,000 more than actual revenue of \$6.632 million.

Ms. Gomez responded that taxes are calendar year and budgets are fiscal year.

Ms. Schick noted her question went to cash flow.

Mr. Cirbee noted that this year the town is going to collect business taxes, pier leases and Council needs to decide what to do with personal property, because those three items cost the town \$300,000.

Ms. Schick noted the town received eighty-cent tax real estate tax revenue in December and will again receive eighty-cent real estate tax revenue, but wants to know how operating revenue does not include the ten-cent supplemental bill.

Ms. Gomez noted July 1, 2018 through June 30, 2019 is FY 19.

(Multiple conversations)

Ms. Schick then discussed the collection of business license fees in early spring when most businesses are in their slowest season.

Ms. Schick noted other tourist/seasonal towns collect business license fees in September.

(Multiple conversations)

Mayor Blunt noted the taxes are paid on the previous year gross receipts.

(Multiple conversations)

Ms. Gomez noted that future presentations will include expenditures and water and sewer rates, which may need to be increased.

Mayor Blunt suggested increasing rates from \$235 to \$245 while the town waits for the consultant report.

## **Unfinished Business**

### **Resolution #15-19, Amends Fiscal Year 2018-2019 Budget, General Fund (Revised)**

#### **Discussion**

Ms. Gomez discussed the individual amounts listed in the resolution.

(Multiple conversations)

Ms. Schick suggested returning the \$111,255.69 equally into the General Fund and the Capital Improvement Fund.

Mr. Murphy noted the library roof needs to be replaced.

Ms. Schick suggested patching the roof until an operating budget for repairs be created.

Mr. Murphy noted the existing lease of the building to the county has expired.

(Multiple conversations)

Mr. Leamon has questions about the \$264,000 in the resolution. In 2018, in response to a citizen inquiry, Mr. Leamon was told that the funding for paving had already been spent.

Mr. Leamon requested numbers from Mr. Murphy: in 2016, 2017 and 2018 \$150,000 was spent per year -- in 2016 -- \$144,989.60; in 2017 -- \$155,791.51; in 2018 -- \$273,661.08. A total of \$574,042.19.

Mr. Leamon asked where the \$264,000 come from when it appears there was an overspending of money allocated by \$124,000.

Mr. Robertson noted there is discrepancy between what Mr. Murphy actually spends and what is in the ledger. The general ledger is showing that money as committed funds relating to paving.

Mayor Blunt noted money came from a bond.

Ms. Schick agreed saying the money came from capital improvement monies.

Mr. Leamon agreed with Ms. Schick. Mr. Cirbee also agreed with Mr. Leamon.

Mr. Leamon restated his concern: that \$150,000 per year for three years had been allocated. We spent \$574,042.19. Now we are told we have \$264,178.27 is sitting there to be used for paving.

Mr. Murphy, in response to a question by Mr. Leamon, noted that he was directed to go ahead and complete the paving in Riverside Meadows.

Mr. Leamon noted the money needs to go back to the Capital Improvement Fund, not the General Fund.

(Multiple conversations)

Mr. Leamon asked where the extra money has come from, Capital Improvement or General Fund.

Ms. Gomez will track the funding and provide a revised resolution to Council at the next Regular Meeting.

Ms. Schick would like to see a 50/50 distribution.

(Multiple conversations)

Mr. Leamon would like to know where the \$120,000 Mr. Murphy went over in 2018 to finish the paving, where did that money come from.

Ms. Gomez noted that the bond the Mayor referred to, her understanding was that a bond was refinanced.

Mr. Cirbee offered that when the refinancing took place, the budget had reflected the original amount and when the terms changed, additional funds were noted and allocated to other things.

Ms. Schick asked Ms. Flanagan to find the budget amendment resolution regarding the \$342,000 in 2015.

## **New Business**

### **Unsafe Piers Owned by Town**

Mr. Robertson discussed three piers. 1) 1<sup>st</sup> Street, the pylons are good, recommends repair; 2) Sulgrave pier, recommends demolish; and 3) town pier, recommends repair to the lower section.

Mr. Cirbee recommends demolish the 1<sup>st</sup> Street pier.

Ms. Schick recommends repair the 1<sup>st</sup> Street pier and would like to see the numbers before making a decision.

Ms. Schick noted the pier could be used for oyster restoration.

Mr. Cirbee asked why the school doesn't replace the pier.

Ms. Roberson noted it was built by the school and destroyed in 2003 by Hurricane Isabel. Currently the school no longer teaches a marine biology course.

Mr. Murphy noted he would like to mitigate the hazard at 1<sup>st</sup> Street.

Mayor Blunt stated his preference as repairing the town pier first.

(Multiple conversations)

Mr. Murphy stated one pier is \$3,500 and one pier is \$2,500. Repair of the town pier is \$20,000.

(Multiple conversations)

Ms. Schick asked for the amount to repair the pier on 1<sup>st</sup> Street.

Mr. Robertson reminded Council that VMRC has active violations on two of the piers.

(Multiple conversations)

Mr. Cirbee noted that the 1<sup>st</sup> Street pier has recently had an outfall pipe installed underneath it and is sited in an area that catches most of the storm and damage from the storms.

Ms. Schick agreed with other Council members to demolish the 1<sup>st</sup> Street pier.

Mayor Blunt suggested building a new pier at the end of Colonial Avenue, including a marine program.

Mr. Cornwell summarized saying: Council directs staff to procure bids on the removal of the 1<sup>st</sup> Street pier; bids on removal of the Sulgrave pier; and bids for repair of the Town Pier.

### **Colonial Avenue Clean Up**

Mayor Blunt summarized a listing of potential improvements to Colonial Avenue.

Mr. Cirbee noted that enforcement was key.

Mayor Blunt proposed that Mr. Cornwell prepare and mail a letter to the owner of the Beachgate Motel regarding compliance.

Mayor Blunt further proposed Council work with the NGO's regarding gardens, garden boxes and double poles.

Mr. Murphy responded the issue of double poles saying he was in contact with utilities for action to remove the double poles.

Ms. Schick noted that Colonial Avenue improvements is an item on the Capital Improvement Plan. The value of the project is listed at \$50,000, with a 50 percent match by the town.

Ms. Schick noted the Colonial Avenue project is ready to go and they will need a little bit of money.

Mr. Cirbee would like to see the town landscape 700 Colonial Avenue.

Mayor Blunt proposed not allowing residential on Colonial Avenue from Get N Zip to 7-11.

Ms. Schick noted mixed use is a good planning tool in business district.

Mr. Cirbee noted enforcement of codes can be done immediately.

Mr. Robertson suggested providing incentives to business owners.

Ms. Finchum summarized façade grant programs in other localities using matching grants and noted that our Zoning Ordinance does not allow mixed use, such as live/work units.

### **Status Items**

### **Piers, Leased by the Town**

Ms. Finchum noted there is a Public Hearing scheduled for March 20, 2019 on piers leased by the town, along with a resolution approving a new pier lease.

After that, letters will go out to residents who currently have piers with a process to begin leases starting with a requirement of a survey of the proposed leased property.

Mr. Cirbee asked if extending the property lines is the current requirement.

Mr. Cirbee asked if staff could negotiate a rate for the pier owners.

### **Sale of Town-Owned Property**

Mr. Robertson requested Council provide a list of specific properties to both list for sale and to be included in the RFP for real estate representation.

Ms. Schick requested Mr. Robertson to use the eight properties that were voted on at the February work session.

Mr. Cornwell suggested Council list all town owned properties in one public hearing.

Ms. Schick noted the all-inclusive list that was prepared is not good public relations and she expressed concern that properties may or may not be available for sale and included on the list.

Mr. Ey and Mr. Leamon agreed that Council decided to advertise all properties in one public hearing.

Mr. Robertson noted the RFP for real estate representation was going to be re-issued as the Town only received one response.

(Multiple conversations)

Mr. Robertson, responding to a question posed by Ms. Finchum, responded that he directed staff to focus on the downtown area and the boardwalk for public hearing.

Mr. Cirbee and Mayor Blunt agreed that right of ways or alleyways should be included.

Ms. Schick noted there are nine parcels on the boardwalk right now.

Ms. Schick reiterated that by holding one public hearing, the public would not have an opportunity to address individual sales.

Ms. Schick reiterated she would prefer publicly identifying properties Council agrees they can all vote yes to.

Mayor Blunt asked for Council direction.

Mr. Ey suggested Council be provided a list of all town owned properties by March 20<sup>th</sup> and Council can go through the list and identify which properties should be advertised for a public hearing.

*There was no Council objection to Mr. Ey's suggestion.*

### **Santa Maria Drainage Issue**

Mr. Murphy reported that Mr. Howeth has spoken to Mr. Vaughan and said due to the weather he has not been able to shoot the elevations.

Mr. Murphy noted the Town has had 76 inches of rain this last year.

### **RFP/Bids, Real Estate Broker and Klotz Demolition**

Mr. Murphy summarized: 1) RFP for Real Estate representation is being re-issued; 2) there will be a notice to proceed by the end of the week on demolition of the Klotz Building.

### **Town Council Priority List and Grant Opportunities**

Mr. Robertson reported that a grant application had been sent in order to get funding for the boat ramp that was not successful.

A tourism related grant has been procured under "50 Years of Love."

Staff is currently looking for grants that are applicable to Colonial Avenue clean up.

### **Citizen Input**

Tim Vaughan, Santa Maria Avenue. Mr. Vaughan noted he has not spoken with Mr. Howeth. He appreciates the project moving forward.

### **Closed Meeting**

Mr. Ey made a motion to go into Closed Meeting pursuant to VA Code 2.2-3711(A)(1) for discussion, consideration or interviews of prospective candidates for employment; assignment, appointment, promotion, performance, demotion, salaries, disciplining or resignation of a specific employee. Ms. Roberson seconded the motion.

Mayor Blunt called for a roll call vote. Mr. Alger voted "aye," Mr. Cirbee voted "aye," Mr. Ey voted "aye," Mr. Leamon voted "aye," Ms. Roberson voted "aye," Ms. Schick voted "aye" and Mayor Blunt voted "aye."

*The motion to go into closed session passed with a unanimous vote of council members.*

At 9:19 p.m. Council moved into Closed Meeting.

### **Certification/Reconvene**

At 9:51 p.m. Mayor Blunt reconvened the meeting.

Mr. Ey made a motion that Council certify that only those matters as were identified in the motion to go into closed meeting were heard, discussed or considered. Mr. Cirbee seconded the motion.

Mr. Alger, Mr. Cirbee, Mr. Ey, Mr. Leamon, Ms. Roberson, Ms. Schick, and Mayor Blunt all certified.

*All council members certified that only those matters as were identified were heard, discussed or considered during Closed Meeting.*

### **Adjournment/Recess**

Mr. Leamon made a motion to adjourn the meeting. Mr. Ey seconded the motion.

*At 9:51 p.m. Mayor Blunt adjourned the meeting.*

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Kathleen Flanagan, Town Clerk