TOWN OF HAYMARKET, VIRGINIA Chartered 1799

County of Prince William

HAYMARKET TOWN COUNCIL WORK SESSION - OCTOBER 2, 1996

Washington Street Water District

MAYOR John R. Kapp COUNCIL MEMBERS

James Shepard, Vice Mayor (absent)

Mary Lou Scarbrough

Dottie Leonard

ATTORNEY Peter Steketee **Bob Seffinga** Mark Branca

Richard Bird

Mayor Kapp called the work session to order at 7:12 p.m. to discuss the Washington Street Water District.

Attorney Steketee presented the proposed Washington Street Water District ordinance policy. Mayor Kapp and Mr. Contrucci's idea of the policy content as to assessments: Code section may indicate no more than 50% should be assessed, if assessment is more than 50% the town may be obligated for 50% - the 50% must be understood as a voluntary contribution.

Mr. Contrucci asks if the town is compelled to supply the 50% - 15.1-241 - also talks about contributions from others - one section states assessment may not be levied for more than 50% town would be liable for the other 50%.

Councilwoman Leonard asked if we could contribute 50% of some parcels and not others. Attorney Steketee says no - all or nothing - as long as the policy is clear that those who participate are doing so voluntarily.

Mr. Contrucci asked if the Code suggests the interest is up to the governing body? Yes, as long as it is not above the prevailing rate. Attorney Steketee states all payments should be within the ten years per code.

Attorney Steketee states the assessment takes place before the implementation.

Absentee landlord property is taxed differently in most jurisdictions, states Mr. Contrucci.

Change in use or transfer of property should be the trigger for paragraph 3. Need to clarify paragraph 3, owner occupied resident.

Mr. Price says owner occupied does not allow any payment except pay in full at trigger. Mr. Contrucci says home business should not change the use in paragraph 3. Councilman Seffinga states should have ten years for residential use in #3.

Property already used in business - B-1 property in B-1 zoning and a residence would not qualify for ten year payment, would be a five year payment in paragraph #2.

Mr. Price believes date of status of property should be the date of adoption of ordinance. Mr. Contrucci states that is not legislatively practical as it allows people to position themselves in their favor.

Mr. Price states we are post dating and do not act within six months it is possible to consolidate property from three parcels to one. Council is preventing that from happening.

Mr. Contrucci states the drop dead date for subscription is November 30th.

Councilman Seffinga asked Attorney Steketee's opinion on dates. Attorney Steketee stated what Council wants is appropriate, set back or date in the future is Council's choice.

Mr. Bear asked if water was going down Madison Street - he was told it is not going down Madison Street.

Councilwoman Leonard is interested in protecting residential property owners from being forced to hook up if they have a good well.

Attorney Steketee asks if residential property owner elects to take deferral and does go ahead and hook up, should that be the trigger for immediate payment?

Councilman Seffinga asked outcome of PWCSA meeting. Mayor Kapp states they gave PWCSA a concept of the policy - Sloper can not commit to anything. PWCSA is usually solid in not contributing to funding water. Sloper is going to his board to negotiate when the ordinance is passed. Mayor Kapp left PWCSA with the number already committed and that the town is not going over the 5% overage allowance and Sloper will get property engineers going and get a firm price.

The agreement was by November 15 their board would legitimately consider our proposal. The town would then have 15 days for the town to accept the agreements.

The Rust property deal is dead. There is no deal on that property at this time.

Mr. Sloper says it is contrary to their mission to bring water further than the developer (owners) want to take it. PWCSA does not propel water for future use.

The new figures on the contribution schedule show cost per acre for Washington Street project, excluding Jefferson Street, and actual cost for Jefferson Street project.

Councilwoman Leonard thinks it needs to be clear in the policy with business owners that if they take the five year deferral and they tap on sooner they'll be paying sooner.

Mr. Harrover asks what size line does each person get? Mr. Price says it would be up to the engineering plan 1-1/2" business or residential. Mayor Kapp states PWCSA has been made aware Rt. 55 will probably be B-1 one day, that is figured in. Mrs. Contrucci says that at this point she does not think there is much difference in a 1", 2" or 3" line.

Mr. Harrover asks about the 20 acre B-2 property. Is it going to get a 1" or 2" line there?

Mr. Branca says fire hydrant would be strategically placed where the higher development will take place.

Mr. Harrover states that what the Council is talking about, who gets what size and number of lines to their property, when PWCSA has already given a price, the town does not know what these costs are based on.

Councilwoman Leonard asks shouldn't we tell PWCSA up front that lines should be at least 2" - 3" - 4" or 8" to the properties?

Mr. Contrucci states he has confidence in PWCSA to do the engineering judgements on future projections. Councilwoman Leonard asked should we safely assume? Mr. Contrucci says nothat is a question our negotiator (Mayor Kapp) should bring up. Mrs. Contrucci suggests the Mayor tell them to size for total build out. Mr. Contrucci says plan will be an addendum to the agreement that will be reviewed and approved by Council.

Mayor Kapp states PWCSA said they would stub out 10' from curb for our street enhancement.

Councilwoman Leonard says she would like to see as many Council members as possible attend future meetings (with PWCSA) so they all have a clear understanding.

Mr. Harrover says at the last meeting he asked what size line would be run under the road and the Mayor stated one inch, now Council is saying 2", 3", 4". What is the real size line that is priced in the per acre quote?

Mr. Contrucci states Council may want to pass issues to the Mayor to be addressed in negotiations in order not to delay negotiations due to scheduling several people (should council members wish to attend meetings.)

Councilwoman Leonard states she would arrange her schedule to be available to attend negotiations.

Mayor Kapp stated the engineering contract was just let early last week. The survey was completed.

Councilman Bird is concerned with the PWCSA contract to do plans and then drops the project. They have been known to do that. Councilman Bird thinks residential zoned property will be sized for residential and larger lots will be sized for commercial. Councilwoman Leonard asked would Councilman Bird go to the negotiation meetings? He did not commit to attend.

Councilman Bird says until the plans are stamped by PWCSA the plans are not holding.

Councilman Branca states issues would be addressed during the design stage and stamped plans will be reviewed for approval or denial.

The ordinance will be approved or disapproved at the October 7th meeting. If approved Mayor Kapp will take to the PWCSA.

Mayor Kapp states Sheetz is worried about easements.

Councilman Bird questioned why the district is named Washington Street Water District. Does that mean Jefferson Street is in? Attorney Steketee states the name does not designate the area. You can call it anything.

Councilman Bird states the technical aspect is the interpretation. Attorney Steketee says the ordinance defines the area covered. Mr. Contrucci suggests you could call it Town Center Water District.

Attorney Steketee will clean up the policy statement and get it back to Council by Friday for distribution.

Councilman Branca wants to know what would happen if someone wants to tap into the line in town? It would come under the water district but PWCSA owns the water line. The answer was the town has no authority either in town or out of town. The question of preventing anyone getting a free ride can not be realized as ultimately anyone who hooks on is under the authority of PWCSA.

Mr. Price states tap fees were originally established to expand the service area. Tap fees only went to capital improvements - when they expanded their boundaries to western Price William they refused to put the lines in, they only offer to maintain the lines with tap fees now.

Mrs. Contrucci states the town will have no authority to receive any monies from any further use of the line.

Mr. Dick Jordan, speaking for the Mason's, asked why is it more controversial getting water in town than the sewer? Mayor Kapp says HUD put up 80% of the money for sewer due to septic failure. Mayor Kapp says he has pursued any and all grants or monies available for the water line.

Councilwoman Leonard states for sewer they (residents) only had to pay for the tap not for the line. Councilman Bird asked if Council realized the sewer line was meant for residences here at the time, not meant for development? Councilman Branca asked if the restriction is pump station or line size. Councilman Bird answered it was pump station.

Councilman Branca states (1) in regard to Jefferson Street, if the Mason's and Bolts or PWCSA want to carry the expense fine, but, he is not in favor of it being included with a deficit, (2) he is not keen about any owner occupied property, used as primary residence, being required in district if they do not connect. The trigger "upon connection to water line on Washington Street" being the trigger.

Mr. Contrucci states transfer to family member, not outright sale, who occupies property could be excluded.

Councilman Seffinga paragraph 3 - we do not identify who pays the assessment, the seller or buyer. Atty Steketee says that is an assessment against the property and is up to the buyer and seller. Councilman Seffinga wants specifics on who pays. Atty Steketee states Treasurer of the County will have to be notified that the assessment is due.

Councilman Seffinga has issue with (1) Lyon's property not being assessed, if H/P decides to hook into the Rt. 55 line they should have to pay. Mr. Contrucci states we could do that but we

could find ourselves in a complicity situation if we exclude them now and they hook on later. We would have to have a facility charge and PWCSA would not do that. Lyon's exempted due to there is water brought to its border by its owner and no easement required - all they have to take is a 1" line across to supply water.

Councilwoman Leonard says she would take issue normally but the owner of that property brought water to town and allows the town to bring water into town. She feels they paid their dues, paragraph 4 applies to them to exclude them.

Mr. Harrover asks why Rohrbaugh is exempt for one property when he proffered to bring water to his property. Mr. Contrucci states he has never seen his proffer statement. Councilwoman Leonard states it was not a written proffer but a verbal.

Councilman Seffinga wants to know what Harrover's questions are. Harrover says he told Mayor Kapp at the first meeting that if they leave his properties and the Baptist Church properties out they would have a much easier time getting water through. They did not leave them out but did leave Bolt out (on Bleight Drive).

Mr. Contrucci states line size is not an issue, a small line can service a large area. The issue is distance to the water line.

Councilwoman Leonard states the street scape plan is for development on the street front and parking will be behind, so Washington Street will be closest to their future commercial structures.

Mayor Kapp asked if paragraph 3 stated "upon sale, change of use or connection whichever comes first" triggers is acceptable. Mr. Contrucci states if we start carving out exemptions we are going to lose the PWCSA participation.

Councilman Seffinga says if he understands correctly; if an owner of residential property is not living there he must commit to pay full share or spread it over 10 years, business property owner at time of assessment pays full or over five years, owner occupied has deferral til _____?

Councilman Branca is not in favor of the sale of property being a trigger for residential.

Councilwoman Leonard is not totally happy until Mr. Harrover understands.

Councilman Seffinga states we are only talking about three double properties, two Rohrbaugh's, two Haymarket Baptist and two Harrover. If they are excluded now, but, if they are fully liable for both properties if they hook up or rezone to B-1 change of use for even one property.

Mr. Contrucci states if you exclude the people on one end of town and cause the majority of others to pull out you have lost the deal.

Councilman Seffinga proposed nothing is totally exempt, same scenario as paragraph 3, change of use, sale of property, voluntary hook up to Washington Street line - take out paragraph 4 totally - no exemptions. Rohrbaugh, being commercial, could be deferred payment for five years.

Atty Steketee says the State Code states postponement by governing body, may postpone to actual connection, if sale or transfer then assessment is due and payable at time of conveyance,

any assessment due in any event within ten years. We could draw the distinction of exempt of a gift to family member.

Mr. Harrover states he still feels he does not belong in the Water District. He is not one to volunteer \$16,000 and he has spoken with attorneys who say they don't believe that he should pay for water when he already has water.

Mayor Kapp states the church would have five year deferral.

Councilman Branca states owner occupied deferral - need to add ten years.

Mr. Contrucci reminds Council the policy must cover PWCSA requirements.

Mr. Price asked if an assessment is a tax? The Mayor answered yes. Mr. Price asked how the town can tax a tax exempt organization. The attorney will have to investigate that.

Councilwoman Leonard's only concerns are the Harrover's and the church. The same place she was at the last meeting.

The meeting adjourned at 10:40 p.m.

RESPECTFULLY SUBMITTED:

Jeannie Heflin, Town Clerk

APPROVED:

John R. Kapp, Mayor

tcws1096