## TOWN OF HAYMARKET, VIRGINIA Chartered 1799

**County of Prince William** 

## HAYMARKET TOWN COUNCIL WORK SESSION - SEPTEMBER 19, 1996

Subject: Washington Street Water District

MAYOR John R. Kapp **COUNCIL MEMBERS** James Shepard, Vice Mayor Mary Lou Scarbrough **Dottie Leonard Bob Seffinga** Mark Branca Richard Bird

Mayor Kapp called the work session to order at 7:05 p.m. to discuss the Washington Street Water

Joe Contrucci, attorney representing several potential subscribers, presented the proposal for the Washington Street Water District. Mr. Contrucci states he is not selling or advocating the adoption of this ordinance but has been retained pro bono by people on Washington Street that see the benefit to bring water to Haymarket on Washington Street and down Jefferson Street. He states water brings serious issues the town and constituents must think about. Water is not being brought to all citizens but certainly closer to all citizens. If and when wells fail water will be more available for everyone in town. The Water District contribution schedule shows there are signed agreements in the amount of \$245,938 representing 66.88% of the total land represented in favor of bringing water down Washington Street and Jefferson Street. Some is undeveloped land, absentee landlord, residents living on the property-are represented in this group who have agreed to pay their fair share per acre to have water. Sixty six point eight percent recognize the economic development benefit and are willing to put up the money, up front, most feel the assessments should be applied equally and fairly.

There are some that feel non-profit organizations that are involved we may want to provide allowances for - some have water at close proximity that we may want to make allowances for. This issue is a major step forward for the economic development with the ISTEA grant shows progressive mentality of the leadership and the persona we are "open for business." We are looking at one quarter million dollars toward the three hundred twenty thousand dollar project including the Jefferson Street lateral that we have some commitments on also.

Mayor Kapp asked who was representing the Haymarket Baptist Church. Mr. Fred Price was in attendance on their behalf.

Mr. Contrucci states the issue of the Jefferson Street lateral can be answered by; (1) not doing it, (2) getting the residents to pay, (3) getting the PWCSA to pick up some uncommitted money.

Attorney Steketee states we can address if the property is owner occupied as a residence and did not opt to participate at this time they could be deferred. In comprehensive plan all Washington Street is available for B-1 zoning - we can eliminate the owner occupied, as residence, at this time and when property is sold or rezoned for occupancy permit would trigger the payment on a no interest basis.

Attorney Steketee states law says, in regard to assessment, usually payable within ten years and there is some provision for interest not to exceed the standard rate. He also states those who represent a hardship may be exempted, can put off participation by agreement, and the District can also take contributions over and above assessment amount, but can not assess property at a greater value than what is represented.

Mayor Kapp states what we will pursue is the group figures they can go to PWCSA and tell them that we have x amount of money knowing the town has passed a policy that when property has a change of use the per acre share will go to PWCSA.

Attorney Steketee states we are permitted to contract with the service authority. Also there is no real authority to allow the towns general revenues to be contributed, we can only make our share, general revenues are not to be used.

Councilman Bird asked if water abuts a property and they can get an easement to hook up to water are they going to be assessed?

Councilman Bird states if your property is on Jefferson Street and Washington Street corner you will have double jeopardy on two properties. Mayor Kapp states assessment is by where property is fronting.

Mr. Contrucci states they took properties fronting Washington Street or Jefferson Street. The reason they went to acreage and not front footage is lots of properties have great depth and some have long frontage and little depth or to assess those properties zoned as business or commercial that was not fair either as some properties are residential but were purchased as investment and are being rented out.

Councilman Bird states contrary to what is in the newspaper he has not made a decision for or against. He states everything for improvements is typically paid by the developer, in the County. He states the trouble is we have more residents than people think. His other concern is people on fixed incomes.

Councilman Bird states what is not paid on Jefferson Street by the property owner will be paid by Washington Street property owners. He feels that if we are going to put in water it should be the whole town where there are well problems on the side streets.

Councilwoman Leonard is hearing many people say they don't want water even though they may have to purchase water to drink. She does not think of it as "for development" only. She is concerned for individual residential property owners if they don't want it, if they are not interested in the added benefit to their property since they plan to live there.

Attorney Steketee states water district could force residents to hook on. He also states if someone has a failed well they could be forced to hook up. The Health Dept can force them to hook up.

Councilman Bird wants Council to think about the responsibility of the Council to the citizens.

He wants to be on the record he does not oppose the water he wants to represent the <u>citizens</u> of the town. The County Health Dept is trying to stop the use of wells in this area - do we need to look at the comprehensive plan for that? Councilman Bird also states we need to look carefully at the tax assessments.

Councilman Bird further advises the VDOT right of way is the street lanes for Fayette Street to \_\_\_\_\_. And the water line on the south side of Washington Street is on the same side as the gas line.

Phillip Harrover brought a plat from the County that shows all sewer and water. There was a water line put in for Gainesville Elementary School when it was built. Starts at well at the townhouses, a 15' right of way with an 8" water line abuts the Harrover properties. He can tap and get water any time. When he purchased the property he asked the assessor what else he needs to enhance his property. They said he does not need anything else. He does not need inclusion in the water district as he has it all.

Fred Price, representing the Baptist Church, states the easement does abut their property. The assessment will not benefit the church or Harrover properties. Harrover thinks water for the town would benefit the town.

Mr. Harrover states Rich Thorsen at PWCSA provided him with the utility plots showing he has water already available.

Mr. Contrucci states Councilman Bird's statement that developers usually pay in Prince William County for improvements - he is right - when development is not there we do not need it (water). This is not a development issue this is an ISTEA improvement decision. Hardship issues have to be dealt with - ultimately water in front of their property is a significant increase in the value of their property. The judgement to be made is not to clobber people who do not have the money.

Mr. Contrucci states Jefferson Street is a definite issue. We are \$18,000 short. Washington Street people are not going to want to pay for Jefferson Street shortage. If we do not benefit the individual property we will not get the tax revenue from the individual property to support all the new houses on the east end of town.

Mr. Contrucci further states we do not look to PWCSA to bail us out - it is not their job to give us water. If we start excluding people willy nilly we will not succeed. We must look at facts factually. Councilman Branca states Goode and Paxton properties, the Baptist Church say they have applied for water hook up and intend to hook up immediately.

Mrs. Contrucci states the criteria was the properties (1) fronted on Washington Street, (2) and did not have water on the property.

Mayor Kapp states the stubs and crosscuts are included in the per acre price.

Warren Thompson, representing the Baptist Church also states at their meeting last night they are not opposed to water as they know it is needed for the town but the church does not see any benefit for them since they do not need water from Washington Street.

Mayor Kapp states he has tried to get water in town for six years. They have tried to get grants,

appropriations, made many efforts to get water. Haymarket is the only town in the County without water.

Mr. Contrucci states none of the contributions is for oversize line.

Councilman Branca asked in regard to the \$18,000 inequity on the Jefferson Street lateral, did we think about eliminating at the Quarles line?

Mr. Contrucci states if the ordinance passes the Mayor has to negotiate hard on behalf of the citizens. Mr. Contrucci feels there costs are at the high water mark, this price may lessen. The pre-conditions are: (1) Council has to pass ordinance, (2) PWCSA has to agree to water line deal price and timing, (3) after deal negotiated the Town Council has to look at and approve and send out signed agreements to subscribers.

Mr. Contrucci requests if he is authorized to negotiate with PWCSA he would want input from the Council with questions and options.

Councilman Branca says if Sheetz does not come in, if we stop line before Sheetz is it an inequity? Councilman Branca asks if we stop short of the Route 15 corner would we save money? Mr. Contrucci states we should.

Councilman Branca asked if the cost of laterals and connection was in the whole cost? He asks can we serve the property with laterals that want to participate and leave out the ones not interested to save money?

Mayor Kapp will contact the surveyor about the 4" gas line easement to be sure they are aware.

Councilman Seffinga asked if the Lyon's property was excluded because the owners are bringing water from the south - it is actually on the Rohrbaugh's property.

Councilman Branca wants to clarify if water is not on their property why are they excluded? Lyon's property is not zoned commercial, already zoned R-1 residential.

Mr. Price asked if you go to Bleight Drive to the Paxton property - leaves Green property and Vet Clinic - building 800' line for two pieces of property, why not come up Jefferson Street from the town houses 400' serving three times as many properties with only 8" main - any building over 13,000 square feet has to have fire sprinklers (larger water line) 18" is only to Bleight Drive. Mr. Price says fire pressure is only thing you need a larger line for.

Mr. Contrucci says when you create a water district you can not be arbitrary and capricious per Virginia law. One of the concerns the group had was whether by design or other - when we did the district you have to have large areas. PWCSA can not fund any line for anyone. One group is putting up \$78,000, they have no current need for water they are sitting on the property.

Attorney Steketee states we need a concept of what we want to accomplish - put it in writing and justify - you can leave out some and bring in some (properties). Virginia Code talks to public interest and well being. You need to follow the concept. Councilwoman Leonard would like to see Attorney Steketee draw up our concept. He says it has to come from Council and he can put it in writing.

Councilman Bird asks how can we exclude some and serve the well being of all the people? Seventy percent of the people in town are renting.

Councilwoman Leonard feels getting water here meets the needs of the people. Councilman Bird says more than 8" line has to be put in due to the needs of the west end of town.

Councilwoman Leonard says 80% of the citizens responded to the survey last spring. She would like to do a one-on-one survey of those affected.

Mrs. Leaberry states they were told when they purchased the property that water was in town. Councilman Bird says a 10" main has to go to the property on the west end of town, we have to get it to come up where it treats the people of the district fairly.

Mr. Contrucci states there are provisions in the agreement if they are charged more than 5% over the assessment the deal is dead. Also if this does not happen by November 30th the deal is gone.

## The time line is:

We meet October 7, ordinance will have to be adopted - PWCSA meets October 9, all agreements have to be signed by November 30. Anything over 5% negates the agreements. People dropping out will negate the agreements. PWCSA will have to pick up overage. John Sloper has made a commitment that water will be here by the end of February 1997. If 18 property owners think they are picking up someone who does not want to pay they will pull out.

Mr. Harrover asked about the \$18,000 deficit on Jefferson Street. Mr. Contrucci states either: (1) PWCSA foots the bill (2) The Mason's offer to pick up the bill (3) pull out Jefferson Street from the district.

Councilman Seffinga asked Mr. Contrucci if \$18,000 Jefferson Street deficit is figured in current agreement price. Mr. Contrucci states yes. Mayor Kapp said that's why in his negotiation with PWCSA would be that PWCSA pick up the tab.

Mr. Contrucci states unless the Council authorizes the Mayor to sign the subscriptions the whole deal is dropped.

Mr. Harrover asked if Jefferson Street will be 8" line? Yes it will.

The 5% will not cover if Mr. Harrover and the Baptist Church pull out.

Mr. Contrucci says Council needs to go to Sloper with an ordinance to negotiate.

Mr. Contrucci speaking to Leamac, that if the town does not have water there will be no significant development in town.

Councilwoman Leonard would like to see our town attorney represent us and write our concept. She would like to see Mr. Contrucci send a letter to Attorney Steketee showing all property that have water exemption and all properties with failed wells in the district required to participate. Bill Smith, Dottie states, he has a failed well - only ones we could exempt would be owner resident - that would trigger upon applying for business use or sell the property.

Councilman Seffinga wants to know a clear answer in regard to Lyon's property. He knows there is a water stub, water is on the property line at Lyons'. Councilman Seffinga wants to know is there a guarantee of a contribution if water will be drawn off the line?

Mr. Harrover says Lyon's should be included because it is not on their property. Mr. Harrover wants to know what the H/P proffers state.

Mr. Contrucci says when you set the criteria if water is not on property they are in - if water is on their property they are excluded - or you create another set of criteria. Exclusions could be non-profit, or deferred for residential owner occupied.

Mr. Price says it would be easy to be consistent with the line going on the south side of the road, it will not make an irregular line excluding the Harrover and church properties.

Councilman Seffinga asked about land owner - he knows material went to them to come to the meeting. It was stated Blankenship does not own the property, he rents from a Mr. & Mrs. Ahn who were contacted to make them aware, they would not come tonight. Evans, Key (house next to Madison Shop) are rented out, Lane is commercial.

Mr. Price states Bill & Janet Smith property B-1 zoned. If you exclude two Harrover properties and the church and resident land owners would be \$37,000, the church at \$9859 and Harrover at \$17,000. If Mr. Bolt picks up the \$18,000, or the water authority, you can excuse - \$50,000 differential with exclusions - deferred residents - PWCSA may decide to go forward if we have the bulk of the property owners signed up.

Councilman Seffinga asked about Alan Gossom - Mr. Contrucci says Alan has decided to stay neutral - he has spoken with people who are against and has not joined at this point.

Councilman Branca asked what is our exposure for suit as involuntary. Attorney Steketee says of course you have to look at the basis of the suit. You can ask people to join in consistent with your concept. Sometimes the exposure in court is more damaging than the outcome. If you remember your guideposts you are all right.

Councilman Branca states he thinks water is in the best interest of the town for fire protection, development potential, he is concerned about the fairness of taxing someone; (1) If they already have a good well it is not of benefit to them, (2) Cost of participation should be focused on the trigger being when they actually hook up.

Vice Mayor Shepard says the tax assessment will be interesting. Councilwoman Leonard asked Mr. Harrover if his property tax went up when the water line was put in. He stated about 7%.

Councilman Shepard says verbiage in ordinance very critical, maybe distance from property line to easement may be a criteria.

Councilman Bird thinks the water line will be productive for town, how we word the policy not to offend folks, that are out of it, is an issue. Councilman Bird thinks Mayor needs to get down to PWCSA to deal with property left out. He states he has an 18" \$25,000 line in front of him (old fire dept.) that has been there since 1990. He says the County will reap benefit of water more than the town. Councilman Bird says Mayor should visit mayors of Quantico and Dumfries.

Mayor Kapp feels with the 67% commitment we now have something to bargain with.

Councilman Seffinga asks what would be availability fee for the shopping center? Mayor thought \$80,000. Availability fees are not negotiable with PWCSA. \$3500 fee for residential properties.

Mr. Contrucci will not expect much less monetary contribution from the property owners.

Councilwoman Leonard asked Attorney Steketee if we can exempt residences that have water accessible? He states yes.

Mr. Contrucci says if you drop a lot of money out of this deal you will lose the deal.

Councilwoman Leonard wants water but not at the expense of Mr. Harrover the church.

Councilman Bird said we can do the side streets later, we can put a 4" line for fire protection in the comprehensive plan and CIP.

Mr. Contrucci states uniformly the 18 people do not want to pay more than their fair share. Mr. Smith states if their share is more than \$78,000 assessment they will pull out the \$78,000.

Mr. Seffinga asked if we exempt the \$27,000 for Harrover and the church and the \$18,000 deficit on Jefferson Street, he feels PWCSA would pay \$45,000 to get water to the west end of town.

Council scheduled another work session, Wednesday, October 2, at 7:00 p.m.

Attorney Steketee will draw up a concept for Council before that meeting.

Mr. Contrucci thanked everyone for their patience in trying to bring together points in a fair and equitable way.

Attorney Steketee states this has been a very good meeting.

Councilwoman Leonard thanked Mr. Contrucci and Councilman Bird and especially the Mayor for all his hard work.

Attorney Steketee states a notice to property owners is the only notice of the October 2 meeting required.

Meeting adjourned at 10:13 p.m.

RESPECTFULLY SUBMITTED:

Jeannie Heflin, Town Clerk

tcws996

APPROVED:

John R. Kapp, Mayor