

The regular meeting of the Town Council of the Town of Front Royal, Virginia was held on March 11, 2019, in the Warren County Government Center’s Board Meeting Room. Mayor Tharpe led Council and those attending in the Pledge of Allegiance to the flag and a Moment of Silence. The roll was called at 7:00 p.m.

**PRESENT:** Mayor Hollis L. Tharpe  
Councilman Gary L. Gillispie  
Councilman Chris W. Holloway  
Vice Mayor William A. Sealock  
Councilman Eugene R. Tewalt  
Councilman Letasha T. Thompson  
Town Attorney Douglas W. Napier  
Town Manager Joseph E. Waltz  
Clerk of Council Jennifer E. Berry, CMC

**ABSENT:** Councilman Jacob L. Meza

(The above listed members represent the full body of Council as authorized in the Town Charter.)

*Councilman Gillispie moved, seconded by Councilman Holloway, approve the Regular Council Meeting minutes of February 25, 2019 as presented.*

Vote: Yes – Gillispie, Holloway, Sealock, Tewalt and Thompson  
No – N/A  
Abstain – N/A  
Absent – Meza  
(Mayor Tharpe did not vote as there was no tie to require his vote)  
(By Roll Call)

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**RECEIPT OF PETITIONS OR CORRESPONDENCE FROM THE PUBLIC**

There were no receipts of petitions or correspondence from the public.

Town Manager, Joseph Waltz, noted that on Tuesday the Town would hold their Business Forum on Tuesday, March 19<sup>th</sup> at Town Hall and Department Heads would be available to answer questions for the community.

Mayor Tharpe asked if there were any proposals for additions or deletions to the agenda.

**CONSENT AGENDA ITEMS - NONE**

**PUBLIC HEARING – An Ordinance Amendment to Chapter 70-23 to Increase Electric Rates (1st Reading) Summary: Council is requested to affirm on its first reading an Ordinance to amend Front Royal Town Code Chapter 70-23 (A) and (B) to increase existing electric utility rates for residential and commercial customers, as presented. If approved the following increases will occur after the second reading of the ordinance scheduled for March 25, 2019.**

Mayor Tharpe opened the public hearing.

Ann Orndorff, of Springtime Garden Center, noted that she was concerned with the high base rate increase for her four utility accounts. She stated that her small business accounts were taking quite an impact with regard to electric rates. Mrs. Orndorff stated that her main concern is the cost for small businesses, seniors, single parents and others in the community that cannot embrace the expanded costs.

Mayor Tharpe closed the public hearing

*Councilman Tewalt moved, seconded by Councilman Gillispie that Council affirm on its first reading an Ordinance to amend and re-enact Front Royal Town Code Chapter 70-23 (A) and (B) to increase existing electric utility rates for residential and commercial customers, as presented.*

Councilman Tewalt noted first time that the Town has raised the rates in about ten years and he added that there comes a time that rates must be adjusted. Mr. Tewalt stated that the PCA amount comes in, it is then split among users, and the Town must have a three-month supply in order to have the Town’s budget to cover the supply as suggested by the Town’s auditor. Mr. Tewalt stated that the time is now to keep up with the demand.

Vote: Yes – Gillispie, Sealock, Tewalt and Thompson  
 No – Holloway  
 Abstain – N/A  
 Absent – Meza  
 (Mayor Tharpe did not vote as there was no tie to require his vote)  
 (By Roll Call)

**COUNCIL APPROVAL – Virginia Commission of the Arts Creative Partnership Grant**

**Application Summary:** Council has received three requests to be submitted for the Virginia Commission of the Arts (VCA) Creative Partnership Grant Application. They are from the Blue Ridge Arts Council (BRAC) (\$4,500), Front Royal Oratorio Society (\$500) and Blue Ridge Singers (\$500). The amount of the grant allowed by VCA is \$4,500, subject to available funds; therefore, if the application is approved by VCA, the funds will be distributed by the Town with a 50% match, as follows: BRAC (\$3,500 + \$3,500 = \$7,000); Front Royal Oratorio Society (\$500 + \$500 = \$1,000) and Blue Ridge Singers (\$500 = \$1,000). Budget/Funding: Expense - 1205-46007 Office of Tourism – Cultural Activities Revenue - 1000-3310004 General Fund Revenue -Grants Commission for Arts

*Councilman Gillispie moved, seconded by Vice Mayor Sealock that Council authorize the submission of an application for the Virginia Commission of the Arts (VCA) Creative Partnership Grant in the amount of \$4,500 of which (if approved) shall be distributed with a 50% match from the Town as follows: Blue Ridge Arts Council (\$7,000); Front Royal Oratorio Society (\$1,000) and Blue Ridge Singers (\$1,000).*

Vote: Yes – Gillispie, Holloway, Sealock, Tewalt and Thompson  
 No – N/A  
 Abstain – N/A  
 Absent – Meza  
 (Mayor Tharpe did not vote as there was no tie to require his vote)  
 (By Roll Call)

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**COUNCIL APPROVAL – Resolution for Bad Debt Policy/Rescind Former**

**Resolution/Write Off for Bad Debt Summary:** Council approved a Resolution to adopt a policy to address delinquent receivables from Utility Bills November 13, 2012 due to a large dollar value of uncollectible “bad debt” recorded yearly on the Town’s ledger as requested by the Town’s auditor. After currently reviewing this policy, Town Staff determined that the 2012 Bad Debt Policy required an update that allows action to be taken to collect on written contracts for a period of five (5) years instead of seven (7) years. Council is requested to rescind the 2012 Resolution pertaining to bad debt, approve a new resolution (Bad Debt Write-Off Policy) and approve additional write-offs associated with the revision in the amount of \$277,974.34 from enterprise and general fund liability accounts, as presented. All recourse of attempting to collect these amounts has been completed and the accounts have no activity for at least five years.

*Councilman Holloway moved, seconded by Vice Mayor Sealock, Council approve a Resolution for the Town’s Bad Debt Write-Off Policy and Rescind the 2012 Resolution pertaining to the same. He further move that Council approve additional write-offs in the amount of \$277,974.34, as presented.*

Councilman Tewalt noted that many renters sign up for utilities and at times account holders move out and do not pay their amounts due. He stated that the amount is narrowed now with the known five-year window. Mr. Tewalt stated that the Town does everything possible to obtain the debt owed and at times the Town must absorb the debt owed.

Councilman Thompson noted that the Town collects a half of a percent of the amount that is not collected, adding that the Town gathers over 99% of the amounts billed and Staff does an amazing job with collectibles.

Vice Mayor Sealock stated that the policy written in 2012 needs updating and this change will address that matter, he added that he does not like write offs and the collection process is as secure as possible. Councilman Holloway noted that when residents move away on accounts under \$1,000 it is not worth garnishments for an unsubstantial amount.

Vote: Yes – Gillispie, Holloway, Sealock, Tewalt and Thompson

No – N/A

Abstain – N/A

Absent – Meza

(Mayor Tharpe did not vote as there was no tie to require his vote)

(By Roll Call)

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**CLOSED MEETING – Consultation with Legal Counsel**

**Motion to Go Into Closed Meeting**

*Vice Mayor Sealock moved, seconded by Councilman Gillispie, that Council convene and go into Closed Meeting for the following purposes related to the lawsuit filed by David Downes against the Town, and the claim for compensation made against the Town by David Silek, on the following grounds: 1) Consultation with legal counsel pertaining to actual or probable litigation, where such consultation in Open Meeting would adversely affect the negotiating or litigating posture of the Town; "probable litigation" meaning litigation that has been specifically threatened against the Town; pursuant to Section 2.2-3711. A. 7. of the Code of Virginia and 2)*

*Consultation with legal counsel employed or retained by the Town regarding specific legal matters requiring the provision of legal advice by such counsel, pursuant to Section 2.2-3711. A. 8. of the Code of Virginia.*

Vote: Yes – Gillispie, Holloway, Sealock, Tewalt and Thompson  
No – N/A  
Abstain – N/A  
Absent – Meza  
(Mayor Tharpe did not vote as there was no tie to require his vote)  
(By Roll Call)

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**Motion to Certify Closed Meeting at its Conclusion**

*Vice Mayor Sealock moved, seconded by Councilman Gillispie, that Council certify that to the best of each member's knowledge, as recognized by each Council member's affirmative vote, that only such public business matters lawfully exempted from Open Meeting requirements under the Virginia Freedom of Information Act as were identified in the motion by which the Closed Meeting was convened were heard, discussed or considered in the Closed Meeting by Council, and that the vote of each individual member of Council be taken by roll call and recorded and included in the minutes of the meeting of Town Council*

Vote: Yes – Gillispie, Holloway, Sealock, Tewalt, Tharpe and Thompson  
No – N/A  
Abstain – N/A  
Absent – Meza  
(By Roll Call)

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There being no further business, the Mayor declared the meeting adjourned at 7:35 p.m.

APPROVED:

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Jennifer E. Berry  
Clerk of Council