

The regular meeting of the Town Council of the Town of Front Royal, Virginia was held on March 26, 2018, 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 John P. Connolly
Councilman Gary L. Gillispie
Councilman Jacob L. Meza
Councilman Christopher S. Morrison
Councilman William A. Sealock
Vice Mayor Eugene R. Tewalt
Town Attorney Douglas W. Napier
Town Manager Joseph E. Waltz
Clerk of Council Jennifer E. Berry, CMC

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

Vice Mayor Tewalt moved, seconded by Councilman Meza moved that Council approve the Regular Council Meeting minutes of March 12, 2018 as presented.

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

RECEIPT OF PETITIONS OR CORRESPONDENCE FROM THE PUBLIC

There were no receipts or correspondence from the public.

Town Manager, Joseph Waltz, noted that yard waste would be collected this week and will continue through the season except holiday weeks. He announced that fire hydrant flushing would take place throughout the community in order to maintain the lines.

Mr. Waltz stated that with the recent snow events there were numerous compliments received on behalf of the Town Staff. He extended his thanks to the Town Crews and thanked them for a great job.

Councilman Meza noted that he would be recusing himself during the Rezoning Application for Valley Health due to his employment with Valley Health, He referenced his previous disclosure filed at the meeting of March 5, 2018.

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

CONSENT AGENDA

- A. COUNCIL APPROVAL – Deed of Dedication/Easement for Water, Sewer, Rights-of-Way, Acquisition for Facilities Serving the Marriott Site
- B. COUNCIL APPROVAL – By-Laws for Joint Towing Board
- C. COUNCIL APPROVAL – Bid for Sewer Inspection Camera System

D. COUNCIL APPROVAL – Bid for Water Meters

E. COUNCIL APPROVAL – Bid for CDBG Project Management Services

Vice Mayor Tharpe moved seconded, by Councilman Morrison, that Council approve the consent agenda as presented.

Vote: Yes – Connolly, Gillispie, Meza, Morrison, Sealock and Tewart

No – N/A

Abstain – N/A

Absent – N/A

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

(By Roll Call)

PUBLIC HEARING – Rezoning Application for Valley Health - Hospital *(1st Reading)*

Summary: Council is requested to affirm on its first reading a Rezoning Application submitted by Valley Engineering, on behalf of Valley Health, for the conditional rezoning of approximately 147 acres for the future site of a hospital, medical office and accessory uses. The property is presently zoned both R-S (Suburban Residential) District and A-1 (Agricultural and Open Space Preservation) District. The application proposes to change all of the Applicant's property to the MCD (Mixed-Use Campus Development District). The submission includes a concept plan with two phases of development. The first phase includes a replacement hospital and medical office building, access improvements, mechanical yard, maintenance building, heliport, and associated site improvements. The second phase includes completion of the hospital loop road, a phase 2 medical office building, and associated site improvements. Access to the site is proposed via Oden Street (secondary access) and an entrance off of Leach Run Parkway (primary access). A buffer and large tracts of forested areas are designated for conservation. The proffers address signalization of the primary and secondary entrances, a future vehicular access connection with the property of HEPTAD LLC, conformance with the concept plan, and a northbound right-turn lane with taper located on Leach Run Parkway at the primary entrance. The proffers also address the zoning of two small tracts of land that are part of a trade agreement with Warren County at the entrance of Oden Street and Leach Run Parkway.

Mayor Tharpe opened the public hearing.

Greg Bodoh, of 235 Biggs Drive, noted that the impact statement that was submitted as part of the application of the newly proposed Warren Memorial Hospital, noting that the object of the statement is not to gloss over the real issues of the impacts of the project. Mr. Bodoh stated that section B of the impact statement with regard to the quality of life to citizens should only be seen as a positive improvement, according to the Town requirements. He added that Valley Health states in their application that their new facility will allow for additional services, though they fail to mention that the new facility does not include a women's center and they are closing the unit at the current hospital site. Mr. Bodoh stated that closing the site will have negative impacts to the community, including the ability to attract new businesses to the community, the ability to attract talent to our existing businesses, and especially the ability to address the needs of the less fortunate in this community. He commented that the number of babies born in this area was not correctly identified in the impact study. Mr. Bodoh reported that Valley Health

stated that 332 babies were born in the area, though the State of Virginia says there were three times that number of babies born in Warren County and the surrounding counties that Valley Health serves. He opined that the babies are not the problem and Valley Health has a marketing issue, as many lack confidence in choosing Warren Memorial as a place for care. He noted that Valley Health could use the new hospital as an opportunity to use the new hospital to restore faith in the confidence in the hospital, they are using it as an opportunity to improve their bottom line by dropping less profitable services. Mr. Bodoh stated that the Town says that this is not the appropriate time or place to discuss this matter or how to tell Valley Health to do their business. He noted that this may be the only time to compel Valley Health to make a difference. He asked the Town to reject this impact statement and postpone the re-zoning request at this time.

Melanie Salins, of 395 Murrays Drive, presented the following to Council: **I am the co-founder of Birth Local. I am here today to talk about the concerns we have about the closing of the labor and delivery unit.**

Valley Health has systematically closed down all of their labor and delivery units to funnel births into Winchester. We have found this shift--**to place profits ahead of patients**-- is a national trend. This is causing a 64% increase in the maternal mortality rate! A couple weeks ago, we had the opportunity to meet with Valley Health administrators, and our concerns were **NOT** addressed. I asked Valley Health specifically **WHY** they feel the national statistics do not apply to them. **They had no answer.** I could go on and on about the dangers this closure creates for women and children, but seeing as this is a meeting to address zoning, today my focus will be on how Valley Health's decisions can negatively impact our community in other ways.

Valley Health states on their zoning application that they wish to build a, quote, "replacement hospital", and that, quote, "this facility will improve the services offered to the citizens, and therefore improve their quality of life". This is not true for citizens who are women and children! I object to their wording. They are NOT replacing the services offered! They are cherry picking the most lucrative services to provide, and are casting the community's needs to the wayside! They say the numbers don't support the need for labor and delivery, but the Virginia department of health statistics show nearly a 400% increase in births in Warren County over the last 20 years. US census data shows that despite a decline in the number of women of child bearing years, the actual birth rate is **increasing**. This means the women who are having babies are having MORE babies. Babies ARE the future of this town!!! These statistics negate the reasons Valley Health gives for closing labor and delivery.

Valley Health states in their application that, quote, "as with any development, property values have to be considered." They state that "land values will only increase based upon market demand to be associated with the new hospital". Again, I disagree! We have found literature that explains the cascade of negative impacts to a community once labor and delivery closes. Specifically, quote, "the community becomes what is known as a 'high outflow community'" and, quote, "The community it's self becomes dysfunctional and unstable. Too late, it is realized that maternity and newborn care are lynchpins for sustainable communities, medically, socially, and economically". Furthermore, Business Insider points out warning signs for declining property values. On that list is the removal of health services, rising property taxes, homes that have been converted into multi-family dwellings, and spaces looking unkempt. What will become of all the new development plans? Will developers be able to sell all those planned homes in a community without

basic medical care? As young families realize that basic healthcare needs are not able to be met locally, will they choose to live elsewhere? We need to not be short sighted, but look at the long term implications for this community.

Valley Health purchased 147 acres in 2008 for 1.3 million dollars. That land is now valued at 2.2 million dollars. They pay NO property tax on this land. They pay no taxes at all because they are tax exempt. Valley Health is "non profit" but they are legally able to put millions into off shore accounts. But to remain in non-profit standing they must demonstrate that they provide community benefit. I don't believe that removing care for the most vulnerable members of the community would qualify as providing community benefit. As a tax paying woman, I will be outraged if a single dime of my tax dollars is used to help fund a hospital that I am excluded from. I request that Valley Health be responsible for 100% of the expense to install the traffic light at their entrance. And to remove the wording that places a 5 year limit on such a commitment. I would ask that Valley Health also be fully responsible for the estimated three-quarters of a million dollar (\$731,281.60) expense for the redundant underground electrical transmission line along Leach Run Parkway to the hospital site. If Valley Health wants to abandon the women in this community, while contributing NOTHING in taxes, then we should not allow them to benefit from our tax dollars in any way.

My other concerns with the rezoning application are the multiple data gaps in the Triad report. Most concerning is that Valley Health didn't even bother to complete the environmental questionnaire! In addition, Triad lists: physical obstructions to observations, and multiple outstanding information requests-- including unanswered FOIA requests from Warren County Fire and Rescue and Warren County Health Department. I would like to request that these issues be addressed before this matter is approved.

Kathy Clowes, of 1023 Meadow Lane, gave the following information to Council: Thank you to the Town Council for giving us the opportunity to voice concerns for pregnant women in our Community. I am Kathy Clowes, director of the Front Royal Pregnancy Center. Our center has been serving pregnant women, who are mostly low income since 1991. I am here to represent the women and families in Front Royal who will be most negatively impacted by the closing of the Labor and Delivery at our local hospital. Our goal at the FRPC is to provide practical support so that women and children can have the opportunity to thrive. All of our support comes from individuals in the community, (and some churches), and that indicates to me that the community wants them to get the care they need at the time of bringing their child to birth—a critical time in the life of mom and baby. Since 2012, we have been a medical clinic offering pregnancy confirmation ultrasound. We now see over 400 women every year, and last year did 132 ultrasound. So, we are very familiar with the faces of moms and babies who are doing their best to prepare for bringing a child into our community. They are often - for a short time - low income. The local Department of Social Services has indicated that in 2017 there were at least 126 pregnant moms on Medicaid.

Our moms overcome obstacles to come to us, they are often young, low income and **walk to our center, even in winter**. Last week, in anticipation of the snow storm, a mom with a one month old baby, walked to our center for formula. 12% of our clients have less than a high school education. Less than 5% have finished college. They are often working in entry level low paying jobs. Yet, they come to parenting education and child birth education classes and work toward a healthy future for their children. A recently published JAMA study of 4.9 million rural births had this to say, " Loss of hospital-based obstetric services in

rural areas may *prolong travel distances* and affect access to and outcomes of care *during pregnancy and at the time of childbirth.*" (emphasis added)

The study also said, "Decreases in care and increases in stress that may accompany loss of nearby obstetric care *could influence risk of preterm birth*, the leading cause of infant mortality." (emphasis added)

The anxiety about getting to the hospital is already growing among our clients. We called our clients for feedback on how having no Labor and Delivery unit nearby will affect them.

A few responses:

"I am not sure how I will get there without a car."

It will be one hour 15 minute drive for me, "This scares me. What if I can't make it there?"
Bentonville client

"I am home alone 14 hours a day with a two year old. Neither myself nor my husband drive, and an ambulance will not transport my 2 year old with me."

"My last baby was cared for at Warren Memorial Hospital for a week, I will not be able to commute to Winchester this time if my new baby needs to stay for a week. I have no family in Winchester.

A client due the first week of May said: "I have already had to go to Winchester Hospital several times during this pregnancy" and they seem to "rush you in and rush you out". So she wonders, how will they manage an additional 300 to 400 deliveries?

"I will be surprised if I can make it to Winchester, with my last child I had a very short labor. I wonder **"Who is looking out for my baby's interest?"**

There is no shortage of data to show that there will be a predictable negative impact. The fact that the hospital is offering classes for Emergency Medical Services people to learn to resuscitate newborns indicates that babies are at risk. We must ask the hospital what plan or coordination is in place to mitigate the harmful impacts that are likely to come to the moms and babies most at risk?

It is a privilege to serve these women and now *you* have the opportunity to serve them by eliciting from the Hospital their plan to address the impacts of less prenatal visits when the labor unit is not here, and the lack of a reliable plan to transport women in labor to a further away hospital on short notice. As our client asked: "Who is looking out for my baby's interest?" I urge the town council to ask the hospital to identify and plan to remedy the negative impacts that may come if there is no Labor and Delivery Unit nearby.

Krista Adanitsh, of 9017 Stonewall Jackson Highway, stated that she was that woman that Ms. Clowes spoke of, and she managed to better herself and went to college. She stated that she had seven children, including five at Warren Memorial Hospital. Ms. Adanitsh noted that friends were told that services for newborns would be in Winchester now and this puts women and children in high risk. She stressed that it was important that the standard of care remain local and she implores Valley Health to have women and children cared for at the highest level. She explained that she is a small business owner, a mother, and this community should choose to cherish women and provide care for women and their children

Floyd Heater, president of Warren Memorial Hospital, noted that he would hope that Council would favorably approve the rezoning request for the new hospital site for Warren Memorial.

He stated that the population increase for the community for those aged over the age of 65 will grow over 45% and that increase means a lot for how Valley Health plans for the future. Mr. Heater noted that Valley Health would be investing over \$100 million for the community and they are excited to expand into Front Royal to meet the needs of area residents. He noted that the existing Warren Memorial campus has no room for expansion and parking and they also need more ambulatory care space, and emergency care unit space. Mr. Heater added that they are also in need of additional modern operating room space for the new equipment. He noted that it is difficult to recruit members to the community at the current hospital and Valley Health is excited for the new hospital to begin construction.

Mr. Heater stated that the community should feel well cared for and be at a restful site, noting that the new Warren Memorial Hospital will have nature aspects incorporated into the new campus. He added that with regard to obstetrics, there were less than one baby per day born at the current hospital, and about 62% of mothers go outside of Warren County for birthing. He noted that it is a sensitive issue, stating that Valley Health takes great pride in the services provided and future population changes may occur and they are constantly reviewing them for patterns and are open to new ideas. He added that while pregnancy care for about 9 months is provided locally in Front Royal, it is only about 2 days that mothers actually need the hospital services for the time of birth.

Jeanne Anderson, of 7 Tee Court, Linden, noted that she has lived in many different states, though she is proud to be a new mom of a one year old and she is in support of having the labor and delivery services remain at the new Warren Memorial site. She quoted various journals and news studies, including AMA, about closing of OB services and how the decrease in prenatal visits and the cascading effects such closings have on mother and child. Ms. Anderson noted that it was a fact of life that there are young mothers out there that do not have access to local interstates to make it to Winchester Medical Center, noting that they are on long mountain roads – and they also need access to care. She stated that birth rates are on the rise and according to census data, Front Royal is growing at a larger rate than the rest of Virginia. She asked that Valley Health consider the additional research, noting that there are lives that are at stake and the impact is real.

Rebecca Myers-Settle, of 230 Blue Ridge Avenue, stated that she was born at Warren Memorial Hospital, adding that she was dedicated to the community and is a mother and Registered Nurse at Valley Health. She noted that Valley Health is striving to improve the needs of the community and she is excited that they are growing their services, stating that they are bringing in orthopedic services and cardiac care. Ms. Settle stated that Valley Health is still collaborating with women in Warren County and women will still receive pre-natal and post-natal care. She noted that the new hospital will enhance care in order to provide for the women and children in the community.

Tom Sayre, of 835 Shenandoah Shores Road, read the following into the record:

We are a group of citizens from a small town in Warren County. We have been notified that our labor and delivery unit in the local hospital, is moving to a city that is up to an hour away from the furthest point of the areas affected. We are disturbed by the trend of closing rural L&D unites we are seeing in America, as reported by The Wall Street Journal, The Washington Post, Safe Birth Project, and many more. This is not what we want for our community. A brand new 97.7 million dollar hospital is being built without a L&D unit and this is most unfortunate. The rate at which women died of pregnancy-related complications was 64% higher in rural areas than in large US cities in 2015. That is a switch from 2000,

when the rate in the cities was higher, according to the Centers for Disease and Prevention data analyzed by The Wall Street Journal.

With the 64% increase in maternal mortality rates (1) and the increase in infant deaths (2) is because rural hospitals are closing labor and delivery units across America. "In 2014, the infant mortality rate decreased as urbanization level increased. Infant mortality in rural counties was 6.55 deaths per 1,000 births, 6% higher than in small and medium urban counties (6.20) and 20% higher than in larger urban counties (5.44). The infant mortality rate for small and medium urban counties was 14% higher than the rate in large urban counties," per the CDC. "The United States of America is one of only a few countries – including Zimbabwe and North Korea – where the mortality rate has risen since 1990," a quote from The Washington Post in 2015. Is this our legacy? Please don't sell out Front Royal.

Mr. Sayre added that the birth statistics noted by Valley Health are inaccurate.

Steven Schlosinger, of 8 W. Prospect Street, noted that Valley Health should be ashamed. He stated that the negative impact on the community is absurd, adding that his wife will be having a baby in two months and the baby care unit will be gone. Mr. Schlosinger noted that on Valley Health's website, it stated that they value "neighborhood" -- he opined that him traveling to Winchester was not his "neighborhood". He stated that \$100 million for the community is great, but this is a small town – who wants to be born in Winchester?

Zoning – rezoning – make them keep the labor and delivery unit

Mark Merrill, Valley Health CEO, presented the following statement to Council:

The availability of high quality health care is an asset to any community. A new hospital will positively impact the overall quality of life in the community as it will enable the community to attract new businesses, welcome new residents and enjoy economic stability and growth.

The Warren County and Front Royal community has invested heavily in new schools, improved roads and bridges and increased housing opportunities. A new contemporary hospital has the potential to further support and enhance the efforts the community has already made. Residents will be able to point to the new hospital as a resource and source of community pride.

Valley Health and Warren Memorial Hospital are committed to delivering an exceptional patient experience while enhancing access to services, promoting advanced technology and clinical expertise, achieving efficiencies and high reliability and improving the overall health and well-being of the residents of Front Royal, Warren County and the surrounding area.

Health care is dynamic and evolving; experiencing rapid transformations in technology and care delivery. Our patients deserve an exceptional patient care experience in an environment that promotes healing, safety, privacy and seamless care. Our highly-skilled physicians, nurses, other clinicians and support personnel deserve to work in a physical environment that allows them to take advantage of new technology, benefit from efficiencies and deliver on their goal to provide high quality care and service.

As healthcare and healthcare technology continues to advance and improve care delivery, inpatient admissions and lengths of stay continue to decrease as more services and procedures are performed on an outpatient basis. This new hospital will serve as a center

for wellness promotion and disease prevention in addition to caring for patients needing inpatient care.

WMH's current hospital campus – physical plant, entrances, parking, layout – are not conducive to developing expanded outpatient services.

These growing trends in health care for more outpatient access and convenience as well as prevention and wellness services have increased and will only increase in the coming years.

To promote wellness, the new expanded campus will include access to walking trails and green space/park areas.

As we read daily, healthcare reform continues to evolve, and our industry remains highly subject to federal and state regulations and reimbursements. As these resources become more constrained and as expenditures increase healthcare providers must be diligent stewards of their resources.

Changes in demographics, resulting in an aging population, impact the types of services that are needed and how hospitals are reimbursed for these services.

We need to position ourselves now to respond to these changes with modernization, efficiency and innovation. Our community's population and demographics are shifting and this new facility will better serve these changes.

Data indicates that the overall population of Front Royal/Warren County will grow by 9.9 percent over the next ten years. During this same ten year period, the fastest growing segment of our population is projected to be people age 65+, increasing by as much as 45 percent.

Constructing a new facility designed with the community's changing needs in mind will allow us to ensure an appropriate combination of services in a setting that enhances patient safety and comfort and is convenient and cost effective.

As part of the planning process, Valley Health leadership collaborated with community officials and leaders to make sure that future service offerings of WMH will best serve the local community. We care deeply about our patients, community and staff, and we are excited about the opportunity to build a new thoroughly-modern hospital that will be designed to meet the changing needs of our community. After serving the community favorably for almost 70 years from 1951, it is time to relocate to a new site that offers room for growth. The inability to expand at the current site impedes our ability to invest in new services.

The Emergency Department is at maximum capacity with no room for expansion. As the population of Front Royal/Warren County continues to increase, the need for additional Emergency Department capacity will be paramount.

WMH's Operating Rooms are in need of modernization and the new facility will allow for the addition of more specialized services, procedures, and technology.

Valley Health and WMH have been very successful in recruiting a number of highly-skilled physicians in recent months, including heart and vascular, orthopedics, general surgery,

gastroenterology and ENT, and we have a shared vision of building a thoroughly modern replacement facility. These highly skilled clinicians look forward to providing advanced services to the community.

Care delivery has changed significantly in the past 70 years and today's health care facilities require larger operating rooms, hallways and storage for advanced technology and modalities used for best-in-class care. Today's hospitals are far more energy efficient and environmentally responsible. Hospitals of today have adequate parking, room for expansion, green space to promote healing, and more. The new WMH campus plan has been developed to provide for each of these elements.

While the final design and layout of the hospital and adjacent medical building are being finalized, the proposed hospital will enhance the patient experience through a healing environment of care while maximizing efficiency and functionality.

Services offered will reflect the changing needs of our community and demographics, which indicate a growing need for acute care services, including heart and vascular, orthopedics, general surgery, gastroenterology and ENT.

Outpatient services, including physical/occupational/speech therapy, medical imaging and laboratory, and physician offices will be expanded.

In addition, the campus will incorporate various features to promote wellness, including green spaces and walking paths.

The decision to transition obstetrical services to Winchester Medical Center was not made lightly, but we have concluded it is the best decision for our community. This was not a decision that was arrived at overnight. Hospital leaders have spent more than a year reviewing and analyzing various options, and had numerous in-depth discussions with healthcare industry experts, physicians, nurses and community members.

We understand that this is a very sensitive matter. We recognize the range of emotions that some may be experiencing, and we share these feelings. We are heartened to know that our physicians, nurses, staff and the mother/baby services we have provided over the years are held in such high regard by our community. We, too, are very proud of our people and our history.

We are currently working with our patients, care providers and other Valley Health facilities to identify a transition date and a smooth transfer for deliveries. Pre and post-natal care will continue to be provided locally.

Warren Memorial Hospital has averaged approximately one birth a day (333 annually over past five years). The number of deliveries at Warren has remained static over the years. More than a third of the Front Royal/Warren County residents are already choosing to have their babies at Winchester Medical Center, which offers enhanced maternity, high risk pregnancy and neonatal ICU care.

The projected increase in the population of people age 18 – 44 is just 6.6 percent over the next ten years, while the expected increase of those age 65 and older is more than 45 percent.

Residents will continue to have access to high-quality well-women, prenatal and postpartum care in our community through Valley Health Obstetrics and Gynecology | Front Royal and Front Royal Family Practice, even after the new hospital is opened. The transfer of delivery

services to WMC offers access to additional services and specialty care not available at WMH.

Winchester Medical Center has made substantial investments and extensive enhancements to its obstetrical care, including: Collaboration with maternal fetal medicine specialists to expand care to high-risk patients; Construction of a new hospital wing with a state-of-the-art, 30 bed, private-room NICU; Development of an emergency department just for obstetric patients;

Expansion of midwifery services and family-centered care. In conclusion, Valley Health and Warren Memorial Hospital are proud to be a part of this community and are filled with gratitude that we have been able to touch so many lives in the past 70 years. We look forward to serving the community for another 70 years and beyond.

As no one else came forward to speak, the public hearing was closed.

Councilman Connolly moved, seconded by Councilman Morrison that Council affirm on its first reading a Rezoning Application submitted by Valley Engineering, on behalf of Valley Health, for the conditional rezoning of approximately 147 acres from R-S (Suburban Residential) District and A-1 (Agricultural and Open Space Preservation) District to MCD (Mixed-Use Campus Development District) for future hospital, medical office and accessory uses as shown in concept plan and proffers as presented.

Councilman Morrison noted that he would like this crisis to bring the community together. He stated that this vote before Council relates to the proposed new build for Warren Memorial Hospital and is in regard to zoning.

Councilman Connolly stated that this decision to deny OBGYN is a mistake and is short sighted on the part of Valley Health. He noted however; that the vote before Council was related to a rezoning and cannot be denied based on the what the hospital plans to place in their structure. He explained that it would be a specific violation of Virginia Code to deny based on what they plan to include in their hospital. He added that proffers must be given freely during the conversations with Valley Health. Councilman Connolly voiced is hope that Valley Health would listen to their citizens and their obvious concerns.

Vice Mayor Tewalt noted that he is in favor of the rezoning as presented. He added that Council is bound by the State law and it goes above the Council's authority to vote against the matter based on the OBGYN unit. He asked Valley Health to seriously reconsider the issues before the community, adding that the matter is vital. Vice Mayor Tewalt added that women's unit to remain open.

Councilman Gillispie noted that he would certainly like Valley Health to reconsider the women's unit.

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

Summary: Council is requested to affirm on its first reading to set the Fiscal Year 2018-2019 real property tax rate to either remain the same at \$0.135 per \$100 assessed value or to increase the real estate tax rate from the current year's rate to a rate between 9/10 to 1/10 of \$0.01; the personal property tax rate to remain the same at \$0.64 per \$100 assessed value; and the personal property tax relief rate to remain the same at 60% of value on the first \$20,000 of assessed value for qualifying vehicles with an assessed value greater than \$1,000; and a personal property tax relief rate of 100% for qualifying vehicles with an assessed value of \$1,000 or less, pursuant to Virginia Code §58.1-3524. Council is further requested to affirm on its first reading an ordinance to amend Front Royal Town Code Section 75.44.C. accordingly.

Mayor Tharpe opened the public hearing. As no one came forward to speak, the public hearing was closed.

Councilman Connolly moved, seconded by Councilman Morrison that affirm on its first reading that the Fiscal Year 2018-2019 real estate tax rate remain the same at \$0.135 per \$100 assessed value; the personal property tax rate to remain the same at \$0.64 per \$100 assessed value; and the personal property tax relief rate to remain the same at 60% of value on the first \$20,000 of assessed value for qualifying vehicles with an assessed value greater than \$1,000; and a personal property tax relief rate of 100% for qualifying vehicles with an assessed value of \$1,000 or less, pursuant to Virginia Code §58.1-3524. He further moved that council affirm on its first reading an ordinance to amend Front Royal Town Code Section 75.44.C. accordingly.

Vice Mayor Tewalt moved, seconded by Councilman Sealock, noted that he would move to amend to raise for 9/10 to bear more of the cost of the Police Department.

Councilman Connolly noted that the Town is sitting on over \$1.7 million in extra funding and he is curious why the Town would like to raise the tax rate when they have funding available. He added that it was convenient political cover at the Police Department's expense and he was not comfortable raising the rates with this money in the bank.

Councilman Sealock noted that he had asked each Councilman to view the spreadsheet he had prepared and he doubts that they had. He noted that he does not like to see taxes raised; however, there is no plan for an alternative. Mr. Sealock noted that they are going to spend down the bottom line and then they are going to be paying 5 cents instead of about one cent. He added that the Police Department has been moved from one second hand building to another because there was no planning; and no one has sharpened their pencils.

Vice Mayor Tewalt stated that he voted against the new Police Department because of the escalated building costs. He noted that \$1.7 million is nickels and dimes when the annual budget is over \$44 million and that amount (\$1.7) of money can be needed for an emergency in no time. Mr. Tewalt noted that the Town's extra funding is there for emergencies; the extra cent is for planning for projects that are coming and those the Town is currently doing. He added that the Town needs to bite the bullet in order to cover their costs because the Town needs to support the project that they paid for. Vice Mayor Tewalt noted that he was not willing to take the emergency savings in order to pay for the Police Department.

Councilman Sealock noted that funding was set aside (one half cent) and that one half cent is actually paying rent on the run down building the Police Department is currently in. He stated that he has great concern with how that one cent is being spent.

Councilman Connolly stated that it is not the Council's money and it is up to Council to be responsible for the funding. He noted that if the prediction that is that in 7 years they need the funding, then they could move forward with matters. Mr. Connolly noted that assessments may assist greatly with the he would err on the side of the not needing the tax increase. He added that other streams of revenue may also assist and they will be paying the interest only portion, which can be paid with the extra funding the Town currently holds. He reiterated that the New Market Tax Credit outcome is unknown and he would prefer to wait until the outcome is known.

Vice Mayor Tewalt stated that when the assessments come in, the tax rate must be balanced by lowering to equalize that amount. Mr. Connolly clarified that the Town has voted not to equalize. Mr. Napier stated that if the assessment has that effect, then yes, the Town would either lower or vote to raise the tax rate.

Councilman Meza commented that the Town voted for a \$10 million Police Department they knew they were going to raise taxes. He stated that interest only is \$260,000 each year, and one half cent was \$55,000 annually; he added that one cent would be about \$150,000 or so, which is still less than the amount needed. He noted that using Mr. Connolly's point of paying interest only and hoping there is enough to pay the principal in several years is not a good plan. He stated that using the \$1.6 million to pay down the debt is important, as it would keep us from paying the debt service, and incremental tax increases as discussed two years ago is vital and will be a drop in the bucket.

Vote: Yes – Meza, Sealock and Tewalt
No – Connolly, Gillispie and Morrison
Abstain – N/A
Absent – N/A
(Mayor Tharpe did not vote as there was no tie to require his vote)
(By Roll Call; on 9/10 Amendment by Tewalt)
(MOTION FAILED)

Vote: Yes – Connolly, Gillispie, Morrison and Tewalt*
No – Meza and Sealock
Abstain – N/A
Absent – N/A
(Mayor Tharpe did not vote as there was no tie to require his vote)
(By Roll Call; Motion for 13.5 cents)

Vice Mayor Tewalt noted that he supported the motion in order to move forward with the tax rate with the required number of votes and not stall the tax rate or budget process.

COUNCIL APPROVAL – Resolution to Governor of Virginia to Veto HB 1258 and SB 405 Regarding Installation and Operation of Wireless Structures

Summary: Council approved a Resolution at their January 22, 2018 Council Meeting to oppose House Bill (HB) 1258 and Senate Bill (SB) 405 regarding installation and operation of wireless structures. Council is requested to approve another resolution urging Governor Northam to veto HB 1258 and SB 405 to prevent these bills from becoming law.

Vice Mayor Tewalt moved, seconded by Councilman Morrison moved that Council approve a resolution urging Governor Northam to veto HB 1258 and SB 405 pertaining to installation and operation of wireless structures, as presented.

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

COUNCIL APPROVAL – Resolution of Support for the Development of an Artisan Trail in Warren County

Summary: Council is requested to approve a Resolution of Support for the development of an Artisan Trail in Warren County through the Artisan Center of Virginia as presented. Council has agreed to a one-time allocation of \$5,000.

Budget/Funding: If approved, \$5,000 will be allocated from the Community Development Department in the FY2018-2019 budget after July 1, 2018.

Councilman Connolly moved, seconded by Councilman Meza that Council approve a Resolution of Support for the development of an Artisan Trail in Warren County through the Artisan Center of Virginia as presented.

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

**RESOLUTION OF SUPPORT
for the Development of an Artisan Trail in Warren County
through the Artisans Center of Virginia**

WHEREAS, the Artisans Center of Virginia (ACV) provides services, resources and networking opportunities to small businesses to foster economic growth, create vibrant communities and facilitate connective visitor experiences; and,

WHEREAS, the ACV offers a unique opportunity to form alliances with artisan businesses,

venues, galleries and retailers across the state while connecting points of interest, restaurants, and accommodation locations in communities through the Artisan Trail Network; and,

WHEREAS, the ACV has approached Town Council to support the ACV in developing an Artisan Trail in Warren County; and,

WHEREAS, the Town Council agreed supports ACV by giving a one-time allocation of \$5,000 to be taken from the Community Development Department after approval of the FY2018-2019 and said allocation shall be distributed after July 1, 2018; and,

NOW THEREFORE, BE IT HEREBY RESOLVED by the Town Council of the Town of Front Royal, Virginia, that the Town Council supports the Artisans Center of Virginia (ACV) in developing an Artisan Trail in Warren County with a one-time allocation of \$5,000 to be allocated after July 1, 2018.

COUNCIL RECOMMENDATION – Board of Zoning Appeals (BZA)

Summary: Council is requested to consider a recommendation to the Judge of the Warren County Circuit Court for a re-appointment to the Front Royal Board of Zoning Appeals (BZA) to fill a five-year term ending May 1, 2023.

Vice Mayor Tewalt moved, seconded by Councilman Morrison that move that Council recommend Ronald V. Flores to the Judge of the Warren County Circuit Court for re-appointment to the Front Royal Board of Zoning Appeals (BZA) to fill a five-year term ending May 1, 2023.

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

Motions to Go Into Closed Meeting

Councilman Connolly moved, seconded by Councilman Sealock, that Council convene and go into Closed Meeting for Discussion and consideration of a potential public-private partnership under the provisions of The Public-Private Education Facilities and Infrastructure Act of 2002, related to potential development at or near the intersection of Shenandoah Avenue and the new bridge at the south end of the South Fork of the Shenandoah River, under the following specific provisions of the Freedom of Information Act: (A) Discussion or consideration of the investment of public funds where competition or bargaining is involved, where, if made public initially, the financial interest of the governmental unit would be adversely affected, pursuant to Section 2.2-3711. A. 6. of the Code of Virginia; and (B) Consultation with legal counsel employed or retained by a public body 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 – Connolly, Gillispie, Meza, Morrison, Sealock and Tewalt
No – N/A
Abstain – N/A

Absent – N/A
(Mayor Tharpe did not vote as there was no tie to require his vote)
(By Roll Call)

Motion to Certify Closed Meeting at its Conclusion

Councilman Connolly moved, seconded by Councilman Sealock, 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 – Connolly, Gillispie, Meza, Morrison, Sealock, Tewalt and Tharpe
No – N/A
Abstain – N/A
Absent – N/A

(By Roll Call)

There being no further business, the Mayor declared the meeting adjourned at 9:05 p.m.

APPROVED:

Jennifer E. Berry
Clerk of Council