

MINUTES
BOARD OF SUPERVISORS
COUNTY OF YORK

Regular Meeting
August 2, 2016

6:00 p.m.

Meeting Convened. A Regular Meeting of the York County Board of Supervisors was called to order at 6:04 p.m., Tuesday, August 2, 2016, in the East Room, York Hall, by Chairman Jeffrey D. Wassmer.

Attendance. The following members of the Board of Supervisors were present: Walter C. Zarembo, Sheila S. Noll, W. Chad Green, Jeffrey D. Wassmer, and Thomas G. Shepperd, Jr.

Also in attendance were Neil A. Morgan, County Administrator; J. Mark Carter, Deputy County Administrator; Vivian A. Calkins-McGettigan, Deputy County Administrator; and James E. Barnett, County Attorney.

WORK SESSION

LEGISLATIVE PRIORITIES FOR 2017

Chairman Wassmer noted it was advantageous to start talking to the County's legislators early in the legislative process. He agreed it was better to have a smaller list of requested items, with the top two or three priorities.

Mr. Morgan stated he was pleased with the legislative process last year, noting it seemed the Board felt it was a good way to proceed by individually approaching legislators and picking and choosing the top two or three items. He stated there would be some technical things that might emerge because they were not known yet, and the County can communicate with the General Assembly separately on those matters. Referring to the Board's materials, he stated the following were the highest level concerns for the County at this time:

Meals Tax Parity with Cities and Towns

Support for Public Schools

Interstate 64 Widening to Richmond

AirBnB Regulations

He suggested the Board focus its energy on the Meals Tax, and staff would provide the Board with some technical information this evening. Regarding support for public schools, he stated the whole Golden Crescent in Virginia pushed it last year with some success. Even though some progress was made, Mr. Morgan stated no one should be under the impression the state has caught up on funding for the schools. He then discussed the I-64 widening project, stating great progress had been made to get it to Williamsburg; but there were 23 more miles that needed widening toward Richmond. He stated it was very important for the economy of the region and the state. Mr. Morgan stated the last top item was AirBnB. He noted technology was changing and the world was changing, but there could not be a situation where localities did not have control over what happens in the community.

Mr. Carter then briefed the Board on the meals tax parity issue as follows:

The Code of Virginia currently authorizes counties to levy a tax on the purchase of prepared and ready-to-eat food and beverages:

- At a rate not to exceed 4 percent.
- If approved by a referendum initiated by the governing body or by petition of at least 10 percent of registered voters.
- Arlington, Roanoke, Rockbridge, Frederick, and Montgomery Counties are exempt from referendum requirement.

Cities and towns are not capped at 4 percent and are not subject to a referendum requirement. Meals tax parity would provide a revenue enhancement option to relieve pressures on real estate and personal property taxes. Dining out is largely discretionary, by choice or convenience. Meals taxes are paid by residents and tourists/travelers, and decisions on dining destinations are not dependent on meals tax rates. 47 of Virginia's 95 counties assessed a meals tax in 2014, with rates ranging from 3.1 percent to 4 percent (with only one county having a 2 percent rate). All cities in Virginia assessed a meals tax, with the highest being 7.5 percent and the lowest being 4 percent. The cities bordering York County have the following meals tax rates:

Hampton/Newport News	7.5 percent
Poquoson	6 percent
Williamsburg	5 percent

Increasing York County's meals tax rate from 4 percent to 6 percent would provide additional revenue of \$3 million; increasing the rate to 7.5 percent would add \$5.3 million in additional revenue.

York County's Legislative Proposal: Enable counties, on the initiative and action by their governing bodies (and without referendum) to establish a meals tax at a rate determined appropriate by the governing body, but not to exceed 8 percent.

Chairman Wassmer noted this initiative did not mean the Board wanted to raise the meals tax, but that it wanted equality with other cities and towns.

Mr. Shepperd asked where the resistance was coming from.

Mrs. Noll stated the General Assembly does not want the County to raise taxes, even though it was discretionary.

Mr. Green stated the Board was not currently putting out a plan to raise the meals tax. The Board just wanted this ability in its tool box. He stated the Board was asking for home rule.

Mr. Morgan stated if only York County was talking about this, it would have very little impact. If other localities around the state get behind York County, there might be some success. He stated this was the piece that might be the most rational with our neighbors. He agreed that it was basically a fairness and home rule issue.

Mr. Shepperd spoke of the limited options of the counties which force them to levy the tax onto the property and real estate. If the General Assembly thought it would appear to be raising taxes, it seemed to be a self-defeating proposal.

Chairman Wassmer stated he has reached out to other Board Chairmen, and the remarks he had received were interesting. They all agreed that parity and the ability to control the right to govern as it needed to was important, but some say they did not have restaurants, while others were saying they did not want to raise their meals tax. Mr. Wassmer stated the meals tax was discretionary, but the parity issue was the important thing.

Mr. Zaremba stated the Board has this discussion each year. He asked where the synergism of the 133 municipalities in the state was, and where was the coming together of the local governments to get this done.

Mr. Morgan indicated stated there was no guarantee the County would be successful. He noted staff knew what has not been successful in the past. He stated Chairman Wassmer has been talking to other Chairpersons, and he had been talking with other County Administrators. He stated the Constitutional Officers need to be talking to their counterparts and other organizations.

Mr. Zaremba stated for years the same bantering has taken place, and it was always the same outcome. Nothing happens because Senator Norment and Representative Pogge would not support the issue. He stated unless York County can put on the table a stack of other localities supporting this issue, it would not work.

Mr. Shepperd indicated one problem was that there were only four counties in the Hampton Roads Planning District Commission, and cities do not care. Mr. Shepperd stated all York has was this array of organizations, and they all have to sing loud at the same time.

Chairman Wassmer stated the Board agreed this was a priority, and the Board will turn to staff as to the process.

Mr. Morgan stated he did not think anyone would suggest this would be easy. He stated his thought was that the County has to establish its priorities, making more room for strategizing. He noted the VACo Finance committee has been tasked to work this issue, and a conference call with that committee has been arranged. York has also been invited to speak at the next VACo meeting, and County representatives will speak at the General Assembly hearings. Mr. Morgan noted staff has also reached out to professional organizations and other colleagues.

Chairman Wassmer noted he had talked to several mayors who have indicated they would support the County's position.

Mr. Shepperd stated the I-64 widening has to come from the Commonwealth Transportation Board and nowhere else because it will not happen unless it steps up. He stated he talked to the Richmond folks at the Virginia Planning District Commission conference, and he was told if given a choice between widening I-64 and I-95, they would go with I-95 first. He stated it was going to be a big challenge.

Mr. Morgan stated if the Hampton Roads economy were analyzed, there was nothing that would do more for Hampton Roads than widening I-64 to Richmond.

Mr. Shepperd stated the widening of I-64 to Richmond was a priority, and the issue should be pushed hard with the Commonwealth Transportation Board.

Mr. Zaremba indicated he has had correspondence with a family in England which thinks it would be a good idea to exchange homes for a week. He asked if this was AirBnB, or what was the difference in a person renting their house out and the AirBnB?

Mrs. Noll stated if money changed hands, it was an AirBnB.

Mr. Morgan stated last year in the General Assembly the proposal was to do away with the local right to regulate these things in neighborhoods, which was the problem for localities in having no land use authority in these situations. Mr. Morgan stated there had to be some reasonable local control.

Mr. Carter indicated the legislative program has been kept to two pages as it was last year, one for priorities and one for position statements, and he reviewed the statements as follows:

- No unfunded local mandates or local "aid to the Commonwealth"
- Support for Virginia Tourism Industry

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- Transient Occupancy Tax Calculation
- Equivalent Revenue Options
- Virginia Juvenile Community Crime Control Act Funding
- Public Notices for Public Hearings and Procurements

Discussion ensued on the importance of the Board members speaking personally with the members of the General Assembly regarding the County's legislative priorities.

Mr. Morgan stated if the Board felt the proposed 2017 legislative priorities and positions were what the Board wanted to pursue, staff would come back to the Board with strategies.

Mr. Green again addressed the AirBnB issue, stating there were currently 50 or more homes for rent in the County. He asked if the Board wanted to prohibit it or tax it. He stated the AirBnB was providing a service and doing a good job.

Mr. Morgan noted a point made by Mr. Shepperd earlier was that the County did have a regulatory regime, and it has the ability to go out and take care of problems when complaint calls come in. He stated part of the proposal last year by the General Assembly was to take that ability away from the counties, and York County would be powerless to do anything.

Mr. Shepperd stated AirBnB was a business, and the County regulates businesses in neighborhoods. He indicated he felt if they were not causing a problem, then no one needed to do anything; but if there were problems, then the County needed the authority to bring it under control. Mr. Shepperd stated AirBnB was doing a lot of things good, and it was providing a service. He noted the hotels did not want AirBnB, and York County has had first-hand experience dealing with a rental problem; but he would hate for the County to lose the ability to bring the problems under control.

Mrs. Noll stated for the most part York's Code Compliance was complaint-driven, and the County did not want to lose the authority to be able to do that. Mrs. Noll stated she felt it would be wrong if the bill took away that authority.

Chairman Wassmer stated AirBnB was only one of many websites, and the County needed a way to deal with problems they create. He stated the hotels also feel websites like AirBnB need to be taxed. Mr. Wassmer noted the General Assembly tabled the subject last year, and a study was on-going for this next session that might drive the General Assembly's position.

Mr. Morgan stated he heard there had been a lot of meetings, but no progress.

Mr. Barnett stated the bill would allow in a residential zone as much occupancy as two people in each room of a four-bedroom house, plus four more. He noted at the current time, the York County Code definition of B&B required a special use permit if in a residential neighborhood. He stated it could cause a major impact to zoning control.

Mr. Shepperd noted the bill required a study this year, but it did not keep it from going into effect.

Further discussion took place on the possible intrusion into local zoning power.

Mr. Barnett stated even if this bill did not pass, it would not mean that localities would not allow it with local control. He suggested looking at the zoning ordinance to determine if there were some areas of the County where it might be a good thing.

Mrs. Noll indicated the Board needed to be careful about over regulating.

Mr. Shepperd asked if the County received any taxes from AirBnB bookings.

Mrs. McGettigan stated the County did not have the authority to tax them at this time.

Chairman Wassmer indicated he would like to get a report back on the AirBnB issue. He stated when talking to other municipalities, this subject consistently came up.

CONSENT CALENDAR

Mrs. Noll moved the approval of the Consent Calendar, Item Nos. 2, 3, and 4, respectively.

On roll call the vote was:

Yea: (5) Zaremba, Noll, Green, Shepperd, Wassmer
Nay: (0)

Thereupon, the following resolutions were adopted:

Item No. 2. EARLY CHILDHOOD EDUCATION – STAIRWAY TO SUCCESS PROGRAM: Resolution R16-82

A RESOLUTION TO RECOGNIZE THE IMPORTANCE OF EARLY CHILDHOOD EDUCATION TO CHILDREN'S FUTURE SUCCESS

WHEREAS, children's experiences in their earliest years have a large effect on their entire lives; and

WHEREAS, early childhood education can particularly help children who are born with risk factors, whether economic, psychological, or physical; and

WHEREAS, children who have access to high quality early childhood education programs are better prepared for kindergarten and for success in school; and

WHEREAS, school readiness has economic and social benefits not only for the children who attend these programs but for all Virginians; and

WHEREAS, children who are kindergarten ready are more likely to make the most of their educational experience;

NOW, THEREFORE, BE IT RESOLVED by the York County Board of Supervisors this 2nd day of August, 2016, that York County recognizes the importance of early childhood education to children's future success in school and in life.

Item No. 3. APPOINTMENT OF COUNTY ASSESSOR: Resolution R16-79

A RESOLUTION TO APPOINT A COUNTY ASSESSOR FOR THE COUNTY OF YORK, VIRGINIA

BE IT RESOLVED by the York County Board of Supervisors this the 2nd day of August, 2016, that Maria R. Kattmann be, and she is hereby, appointed to the position of County Assessor for York County, such appointment to begin August 1, 2016.

Item No. 4. PURCHASE AUTHORIZATION: Resolution R16-90

A RESOLUTION TO AUTHORIZE THE COUNTY ADMINISTRATOR TO PURCHASE A 19-PASSENGER SCHOOL BUS AND RELOCATE THE HEAD START TRAILERS

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WHEREAS, it is the policy of the Board of Supervisors that all procurements of goods and services by the County involving the expenditure of \$50,000 or more be submitted to the Board for its review and approval; and

WHEREAS, this expenditure in the aggregate exceeds the \$50,000 'limit'; and the County Administrator has determined that the following procurements are necessary and desirable, they involve the expenditure of \$50,000 or more, and comply with all applicable laws, ordinances, and regulations;

NOW, THEREFORE, BE IT RESOLVED by the York County Board of Supervisors this 2nd day of August, 2016, that the County Administrator be, and hereby is, authorized to execute procurement arrangements with Sonny Merryman, Inc., in the amount of \$61,292, and Mobilease in the amount of \$64,672, as follows:

	<u>AMOUNT</u>
School Bus (19-passenger)	\$ 61,292
Relocation of Head Start Trailer	64,672

NEW BUSINESS

AMENDMENT TO THE VIRGINIA PENINSULA REGIONAL JAIL (VPRJ) MEMORANDUM OF UNDERSTANDING

Mr. Zarembo moved the adoption of proposed Resolution R16-91 which reads:

A RESOLUTION TO AUTHORIZE THE COUNTY ADMINISTRATOR TO EXECUTE AN AMENDMENT RELATING TO A CHANGE IN PAYMENT TERMS TO THE CURRENT COOPERATIVE SERVICES AGREEMENT WITH THE VIRGINIA PENINSULA REGIONAL JAIL

WHEREAS, the Virginia Peninsula Regional Jail (VPRJ) has proposed a change in payment terms for member contributions to bimonthly in advance from monthly, and a change for per diem payments from monthly to annually in arrears; and

WHEREAS, this change has been discussed and approved by the Board of Directors of the VPRJ; and

WHEREAS, the governing bodies of the four member jurisdictions must approve the amendment before the change in terms can take effect;

NOW, THEREFORE, BE IT RESOLVED by the York County Board of Supervisors this 2nd day of August, 2016, that the County Administrator be, and hereby is, authorized to execute the First Amendment to Restated Cooperative Service Agreement which changes the terms as described herein of payments to the Virginia Peninsula Regional Jail.

On roll call the vote was:

Yea: (5) Noll, Green, Shepperd, Zarembo, Wassmer
Nay: (0)

LACKEY GRAVITY SEWER REHABILITATION, PHASE I

Mr. Green moved the adoption of proposed Resolution R16-92 which reads:

A RESOLUTION TO AUTHORIZE THE COUNTY ADMINISTRATOR TO EXECUTE A CONTRACT FOR THE LACKEY GRAVITY SEWER REHABILITATION, PHASE I

WHEREAS, it is the policy of the Board of Supervisors that all procurements of goods and services by the County involving the expenditure of \$100,000 or more be submitted to the Board for its review and approval; and

WHEREAS, the County Administrator has determined that the following procurements are necessary and desirable, they involve the expenditure of \$100,000 or more, and comply with all applicable laws, ordinances, and regulations;

NOW, THEREFORE, BE IT RESOLVED by the York County Board of Supervisors this 2nd day of August, 2016, that the County Administrator be, and hereby is, authorized to execute procurement arrangements with Prism Contractors and Engineers in the amount of \$915,752 as follows:

	<u>AMOUNT</u>
Prism Contractors and Engineers	\$915,752

On roll call the vote was:

Yea: (5) Green, Shepperd, Zaremba, Noll, Wassmer
 Nay: (0)

OPEN DISCUSSION

Mr. Shepperd indicated he had not prepared a district report in a while, and he was going to get back into it. He stated every year he conducted a Town Meeting, and he would have one this year in October at Tabb Elementary School. He stated the slides from his last town meeting were on the County website if anyone was interested in the types of issues he reported on. Mr. Shepperd then apprised the Board that he was now the First Vice President of the Virginia Association of Planning District Commissions, which represented the 21 Planning District Commissions (PDC) in the state. At the conference held in Williamsburg, the Go Virginia initiative was a topic. He stated it was a regional effort established by the state where regions get together, establish a committee, and find ways of creating jobs. He noted the program only had \$47 million in it, and the Hampton Roads PDC only received about \$3 million to set up its committee. Mr. Shepperd next discussed the Boys and Girls Club that was operating out of Yorktown Elementary School. He stated it was a great operation, and he encouraged those interested to tour it. He then spoke of the widening of I-64 and other transportation projects, noting the 2040 long-range plan had been approved and covered \$12.8 billion in projects. He stated public hearings would start in September followed by formal action by the Commonwealth Transportation Board.

Mr. Green stated many residents in Seaford woke up to no water yesterday. He thanked the crews who worked on getting the system back.

Mr. Zaremba indicated there was a new large shopping center in James City County with a Harris Teeter. York County has the Williamsburg Marketplace and some small businesses left after the closure of its grocery store. He stated the new James City center was approaching the people on the York County side soliciting them to cross over to James City County. He asked that the Economic Development Director talk to the York County businesses. Mr. Zaremba then spoke regarding three major accidents that have taken place lately, and he asked drivers to be very careful. He next addressed the landscaping in the tourist corridors, stating it was only halfway through the tourist season, and a number of York County business owners in the upper county have let the landscaping go to pot. Mr. Zaremba asked that staff look into this and notify the businesses to clean up their areas.

Mrs. Noll stated next Tuesday was the 93rd anniversary of Naval Weapons Station which would be celebrated with a concert in Yorktown. She noted the Board Chairman would present a

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proclamation to the Commander, and she hoped it would not be raining or as hot as it has been.

Chairman Wassmer spoke about economic development, stating Jim Noel and his staff go out and visit businesses, and he had asked Mr. Noel to allow him to go along on some visits. He noted there had been several ribbon cuttings lately for newly opened businesses, and he asked that everyone do what they could to support York County businesses. Lastly, Mr. Wassmer noted he and Mr. Morgan would be meeting with Dr. Shandor, School Superintendent, and Dr. George, Chairman of the School Board, in the near future.

Meeting Adjourned. At 7:14 p.m. Chairman Wassmer declared the meeting adjourned sine die.

Neil A. Morgan
County Administrator

Jeffrey D. Wassmer, Chairman
York County Board of Supervisors