Special
Council Meeting
June 30, 2003

A Special Meeting of the Elkton Town Council was held in the Council Chambers on June 30, 2003 with Mayor Wayne E. Printz presiding. The purpose of the meeting was to adopt the Fiscal 03-04 Budget and to review the Park Authority. The following Council members were present:

PRESENT
J. T. Dean
C. H. Murphy
T. Pence
L. Sigafoose
R. L. Snow
P. Workman

Attorney Nathan Miller, Faye Vickers, Treasurer, and Richard Carey, Clerk of Council, were also present.

Council member Dean offered the Invocation.

The Pledge of Allegiance was recited.

CITIZEN COMMENTS

Lee Dearing, 124 North Street, wanted to make it clear that when he expressed his opinions he was not criticizing Council. He was concerned that that was the public opinion of his motives.

Mike O'Neill, 425 East Rockingham Street, stated negative remarks were coming from within the sitting Council regarding the "old Council."

Mayor Printz, in differentiating his interpretation of negative remarks, believed Mr. Dearing was postulating to lay the groundwork for his desired political comeback. Mayor Printz referred to Mike O'Neill as a "friend" who had much to offer the Town and always tried to present a balanced view. He added he respected Mr. O'Neill and appreciated his involvement in the affairs of the Town.

Mildred Shifflett, 112 West Spotswood Avenue, stated she was speaking for many senior citizens who felt their needs had been forgotten, or not addressed, by this Council. She again cautioned Council to think "long and hard" about a golf course.

Hazel Crider, 114 Hillside, praised the acquisition of a building to be developed as a community center and congratulated Council for formulating an annexation agreement. She was concerned, however, by the public's opinion that if they attended Council meetings that they would in someway be intimidated by Council. She questioned why the Park Authority strayed from the original plan to find a developer to build the golf course on land leased from the Town.

Frank Meleski, 604 North Stuart Avenue, again questioned why it appeared to him that the Park Authority maintained 100% of the profit from the sale of the lots.

FY 03-04 Budget

Council member Snow moved, second by Council member Dean, and carried to approve the FY 03-04 Budget as presented in the First Reading.

YEAS: J. Dean, C. Murphy, T. Pence, L. Sigafoose, R. Snow, and P. Workman

Motion carried (6 - 0 roll call)

Council member Snow moved, second by Council member Sigafoose, and carried to appropriate the funds for FY 03-04 Budget.

YEAS: J. Dean, C. Murphy, T. Pence, L. Sigafoose, R. Snow, and P. Workman

Motion carried (6 - 0 roll call)

Vice Mayor Murphy moved, second by Council member Snow, and carried to make pay raises effective beginning July 1, 2003.

YEAS: J. Dean, C. Murphy, T. Pence, L. Sigafoose, R. Snow, and P. Workman

Motion carried (6 - 0 roll call)

Park Authority

Mayor Printz opened the discussion by saying he received more phone calls and had more discussions regarding a golf course than any topic since he has served on Council. His personal position was no Town owned or operated golf course.

Council member Pence stated he ran for office on a promise that no taxpayer money would be used to build a golf course. He asked what happened to the plan that included the Park Authority selling bonds to pay for golf course construction.

Council member Snow stated the selling of bonds depended on a favorable feasibility study, which considered borrowing six million dollars to fund the entire development. When the study came back "marginal" for a golf course, a new approach became necessary to avoid borrowing a large amount of money. The debt service on six million dollars was prohibitive. The Park Authority plan allowed the development in phases, without borrowing huge sums of money. Lot sales would provide revenue, with a portion of the sales going into roads and infrastructure as the project advanced. Other money would accumulate until a comfort level could be achieved to build a golf course. The Park Authority asked Council for an additional $50,000.00 to proceed with the engineering study, which would be required for any development of the area, plus 55 lots to sell to generate operating capital. The Park Authority would ask Council to begin Phase I water and sewer, at an estimated cost of approximately $200,000.00. If the Park Authority had 100 lots to sell in Phase I the Town would realize $300,000.00 in water and sewer connections. When that was completed, the Town would have nothing left in the project. Council member Snow stated that only a hundred plus lots were located on the 60 acres currently owned by the Town. The remaining lots were on Dr. Kite's 116 acres which must be negotiated by the Town or the Park Authority. " The real estate is what makes this whole thing work," stated Council member Snow.

Council member Pence wanted to know what would happen if the lots did not sell. Council member Snow stated the Park Authority had the option to look for private investors to finance the project. Council member Pence argued that if private investors could not be found then the debt burden would fall back on the Town. Council member Snow asked, "What, the bond payment? Yes, it would."

Vice Mayor Murphy stated that this was a serious matter and Council considered it as such. She believed public opinion was 3 to 1 against a golf course, but believed there may be room for a compromise. She presented an idea where the Town would be responsible for the development of the land with 10% of lots sales going to the Park Authority as "seed money, as a loan, or gift." At the end of five years, if the plan did not succeed, the land reverts back to the Town. The Town's 90% would be earmarked for infrastructure, purchase of the Hiram Kite property, and a certain percent set aside for the community center. She believed the lot sizes were too small.

Council member Sigafoose moved not to support a golf course built by the Town.

Motion failed due to a lack of a second.

Attorney Miller responded to the golf course referendum with the following statement:

A question has arisen regarding whether a referendum question can be placed on a ballot in the Town of Elkton regarding whether a golf course should be built and/or which golf course plan should be adopted.

Pursuant to Section 24.2-684 of the Code of Virginia, 1950, as amended, "No referendum shall be placed on the ballot unless specifically authorized by statute or by charter." The Charter does not specifically permit a referendum on this issue. Nor is there any statute that would authorize a referendum for this purpose.

There is an opinion from the Attorney General construing the above referenced code section. In that opinion, the City of Colonial Heights wanted to conduct an advisory referendum concerning the establishment of a community center. The Attorney General concluded that this was not permissible because there was no statutory authority to support the referendum. In addition, the City's Charter only permitted advisory referendum in limited circumstances. Therefore, the referendum on the establishment of a community center was not permissible.

Based on the above, the Town of Elkton cannot hold a referendum on the issue of whether a golf course should be built and/or which golf course plan should be adopted.

Council member Dean followed Council member Snow's suggestion to form a "conference committee" consisting of two Council members and two Park Authority members to meet and come back to Council with a recommendation(s).

Council member Snow moved, second by Council member Pence, and carried to create a conference committee consisting of two Council members and two Park Authority members, plus the Town Attorney, to resolve the differences between the Council and the Park Authority.

YEAS: J. Dean, C. Murphy, T. Pence, R. Snow, and P. Workman

NAYS: L. Sigafoose

Motion carried (5 - 1 roll call)

Council member Pence moved, second by Council member Snow, and carried to name Vice Mayor Murphy and Council member Dean to serve as Council representative on the conference committee.

YEAS: T. Pence, R. Snow, and P. Workman

ABSTAIN: J. Dean and C. Murphy

NAYS: L. Sigafoose

Motion carried (3 - 2 -1 roll call)

As there was no further business, the meeting adjourned.

Mayor: Wayne E. Printz

Wayne E. Printz, Mayor

Recorder: Richard D. Carey

Richard D. Carey, Clerk