



ROUND HILL TOWN COUNCIL REGULAR MEETING AGENDA

March 19, 2020

7:30 PM

- I. Call to Order & Pledge of Allegiance**
- II. Roll Call**
- III. Public Hearing**
 1. FY 2021 Town of Round Hill Budget, Tax Rate and Fee Schedule
 2. Meals Tax Ordinance and Transient Occupancy Tax Ordinance
- IV. Community Policing**
- V. Public Comment:**

Visitors to the meeting may address the Council at this time. Each speaker is asked to state their name for the record and to please limit their presentation to five minutes.
- VI. Adoption of Regular Meeting Agenda (Amendments & Deletions)**
- VII. Approval of Minutes**
 1. January 23, 2020 Council Meeting
- VIII. Business Items:**
 1. Round Hill Pandemic Response Plan
 2. Town Council Meeting Schedule (Amendment to the Town Code)
- 3. Action Items:**
 1. FY2021 Budget, Tax Rate and Fee Schedule **(Vote)**
 2. Meals Tax Ordinance and Transient Occupancy Tax Ordinance **(Vote)**
 3. Emergency Valve Installation at Two Locations **(Approval of Project)**
 4. Modification #1 to the MOU of Understanding for Cost Participation and Cooperative Procurement Between the County of Loudoun and the Town of Round Hill for the Franklin Park and the Round Hill Main Street Project **(Approval of MOU Modification)**
- 4. Reports:**
 1. Town Planner Report
 2. Town Administrator Report
 3. Mayor's Report
- 5. Council Comments**
- 6. Meeting Adjournment**

Town of Round Hill Proposed Budget for Fiscal Year 2021

July 1, 2020 to June 30, 2021

REVENUES

Property Taxes	\$ 145,085
Other Local/State Taxes	\$ 125,764
Licenses & Permits	\$ 25,750
Use of Property	\$ 164,594
Intergovernmental	\$ 38,113
Special Events	\$ 12,000
Transfer from Utility Fund	\$ 294,795
Other	\$ 3,500

TOTAL REVENUES \$ 809,601

EXPENDITURES

GENERAL FUND

Adm. Salaries & Benefits	\$ 474,838
Adm. Operating Expenses	\$ 102,416
Building & Grounds Expenses	\$ 21,385
Grant Funding	\$ 27,000
Insurance & Liability	\$ 13,000
Public Works	\$ 66,130
Parks	\$ 36,120
Special Events	\$ 29,200
Other	\$ 5,900
Transfer to Reserves	\$ 33,612

TOTAL EXPENDITURES \$ 809,601

GENERAL FUND CAPITAL IMPROVEMENTS

County Grants	\$ 1,187,377
State & Federal Grants	\$ 1,356,188
Proffers	\$ 749,367
General Fund Reserve	\$ 119,934
Utility Fund Reserve	\$ 173,920
Other Fees/Grants/Donations	\$ 23,762

TOTAL REVENUES \$ 3,610,548

Main Street Enhancement	\$ 3,041,073
Sleeter Lake Park	\$ 246,080
Website	\$ 15,300
BLA	\$ 16,995
Main Street Phase 2	\$ 35,000
Town Office Upgrades	\$ 129,600
Tunnel Rehab & Security	\$ 44,500
Financial Software	\$ 50,000
Niels Poulsen Park Upgrades	32000

TOTAL EXPENDITURES \$ 3,610,548

UTILITY FUND

Water User Fees	\$ 836,358
Sewer User Fees	\$ 1,200,824
Water Connection Fees	\$ 15,000
Sewer Connection Fees	\$ 24,750
Utility Fund Reserves	\$ 230,872
Misc. Income	\$ 5,000

TOTAL REVENUES \$ 2,312,804

Wastewater Salaries & Benefits	\$ 377,364
Wastewater O & M	\$ 359,880
Water Salaries & Benefits	\$ 228,282
Water O & M	\$ 344,353
Water/Sewer Salaries & Benefits	\$ 334,302
Water/Sewer O & M	\$ 373,828
Transfer to General Fund	\$ 294,796

TOTAL EXPENDITURES \$ 2,312,804

UTILITY FUND CAPITAL IMPROVEMENTS

Availability Fees	\$ -
Utility Fund Reserves	\$ 1,541,061
General Fund Reserves	\$ 20,000

TOTAL REVENUES \$ 1,561,061

VRA Debt Service	\$ 510,000
I&I Work on Sewer Lines	\$ 50,000
WWTP Upgrades (Phase 2)	\$ 40,000
Well Property Acquisition	\$ 98,593
Rebuild Rt 719 Well Building	\$ 25,000
Well D Testing & Development	\$ 100,000
AWIA Risk Assessment	\$ 35,000
Project Water Line & Valve Upgrades	\$ 100,000
Painting & Repairs to Stoneleigh Tank	\$ 72,000
South Main Zone Water Tank	\$ 195,000
Remove Trailer & Replace with Office Bldg.	\$ 75,000
Pump Around Rt 7 Station	\$ 15,000
Lakefield Facilities Water Main	\$ 105,000
Replacement of Utility Truck	\$ 60,000
Utility GIS Mapping & Program	\$ 35,000
Utility Fund CIP Contingency	\$ 45,468

TOTAL EXPENDITURES \$ 1,561,061

TOTAL BUDGET \$ 8,294,014

TOTAL BUDGET \$ 8,294,014

CHAPTER 21
ARTICLE V
Meals Tax

State Law reference— Authority for imposition of tax, Code of Virginia, § 58.1-3840, as amended.

Sec. 21-49 Definitions

The following words and phrases, when used in this Article, shall have, for the purpose of this Article, the following respective meanings except where the context clearly indicates a different meaning:

CATER - The furnishing of food or beverages, or both, on the premises of another, for compensation.

COLLECTOR - The Town Treasurer of Round Hill or designee.

TREASURER - The Treasurer and any duly designated deputies, assistants, inspectors or other employees.

FOOD - All food, beverages or both, including alcoholic beverages, purchased in or from a food establishment, whether prepared in such food establishment or not, and whether consumed on the premises or not, and without regard to the manner, time or place of service.

FOOD ESTABLISHMENT - Any place in or from which food or food products are prepared, packaged, sold or distributed in the town, including but not limited to, any restaurant, dining room, grill, coffee shop, cafeteria, café, snack bar, lunch counter, convenience store, movie theater, delicatessen, confectionery, bakery, eating house, eatery, drugstore, ice cream/yogurt shop, caterer's kitchen or premises, lunch wagon or truck, pushcart or other mobile facility from which food is sold, public or private club, resort, bar, lounge, or other similar establishment, public or private, and shall include private property outside of and contiguous to a building or structure operated as a food establishment at which food or food products are sold for immediate consumption.

MEAL - shall mean any prepared food or drink offered or held out for sale by a food establishment for the purpose of being consumed by any person to satisfy the appetite and is ready for immediate consumption. All such food and beverage, unless otherwise specifically exempted or excluded herein shall be included, whether intended to be consumed on the seller's premises or elsewhere, whether designated as breakfast, lunch, snack, dinner, supper or by some other name, and without regard to the manner, time or place of service.

SELLER - shall mean any food establishment or caterer selling meals or food, or the person operating such business.

TOWN - The Town of Round Hill.

Sec. 21-50 Imposition of tax

There is hereby imposed and levied by the Town on each person a tax at the rate established by an uncodified ordinance enacted by the Town Council on the amount paid for meals purchased from any food establishment, whether prepared in such food establishment or not and whether consumed on the premises or not. There shall be no tax if the total amount paid is fifty cents (\$0.50) or less; on larger amounts a fractional cent of tax due shall be rounded to the next higher cent.

Sec. 21-51 Collection of tax by seller

Every person receiving any payment for a meal with respect to which a tax is levied hereunder shall collect and remit the amount of the tax imposed by this Article from the person on whom the same is levied or from the person paying for such food at the time such food is made; provided, however, no blind person operating a vending stand or other business enterprise under the jurisdiction of the Department for the Visually Handicapped and located on the property acquired and used by the United States for any military or naval purpose shall be required to collect or remit such taxes.

Sec. 21-52 Exemptions; limits on application

Sec. 21-52:1 The tax imposed under this Article shall not be levied on the following items when served exclusively for off-premises consumption:

- (1) Factory prepackaged candy, gum, nuts and other items of essentially the same nature.
- (2) Factory-prepackaged donuts, ice cream, crackers, nabs, chips, cookies and items of essentially the same nature.
- (3) Food sold in bulk. For the purposes of this provision, a bulk sale shall mean the sale of any item that would exceed the normal, customary and usual portion sold for on premises consumption (e.g. a whole cake, a gallon of ice cream); provided however, that a bulk sale shall not be deemed to include any meal or meals catered or delivered by a food establishment for off-premises consumption.
- (4) Alcoholic and non-alcoholic beverages sold in factory sealed containers.
- (5) Any food or food product purchased with food coupons issued by the United States Department of Agriculture under the Food Stamp Program or drafts, issued through the Virginia Special Supplemental Food Program for Women, Infants, and Children.
- (6) Any food or food product purchased for human consumption as defined in the federal Food Stamp Act of 1977, 7 U.S.C. §2012, as amended, except for hot food or hot food products ready for immediate

consumption. For the purposes of administering the tax levied hereunder, the following items whether or not purchased for immediate consumption are excluded from the said definition of food in the federal Food Stamp: sandwiches, salad bar items sold from a salad bar, prepackaged single-serving salads consisting primarily of an assortment of vegetables, and non-factory sealed beverages. This subsection shall not affect provisions set forth under Section 21-53.3 (3), (4) and (5) herein below.

Sec. 21-52:2 A grocery store, supermarket or convenience store shall not be subject to the meals tax except sales from a delicatessen or other area designated for the sale of prepared foods and beverages.

Sec. 21-52:3 The tax imposed hereunder shall not be levied on the following purchases of food and beverages:

- (1) Food and beverages furnished by food establishments to employees as part of their compensation when no charge is made to the employee.
- (2) Food and beverages sold by day care centers, public or private elementary or secondary schools or food sold by any college or university to its students or employees.
- (3) Food and beverages for use or consumption and which are paid for directly by the Commonwealth, any political subdivision of the Commonwealth or the United States.
- (4) Food and beverages furnished by a hospital, medical clinic, convalescent home, nursing home, home for the aged, infirm, handicapped, battered women, narcotic addicts or alcoholics, or other extended care facility to patients or residents thereof.
- (5) Food and beverages furnished by a public or private non-profit charitable organization or establishment or a private establishment that contracts with the appropriate agency of the Commonwealth to offer meals at concession prices to elderly, infirm, blind, handicapped or needy persons in their homes or at central locations.
- (6) Food and beverages sold on an occasional basis by non-profit educational, charitable or benevolent organization church, or religious body as a fundraising activity, the gross proceeds of which are to be used by such organization exclusively for non-profit educational, charitable, benevolent or religious purposes.
- (7) Food and beverages sold through vending machines.

Sec. 21-53 Gratuities and service charges

If a purchaser provides a gratuity for an employee of a seller, and the amount of the gratuity is wholly in the discretion of the purchaser, the gratuity is not subject to the tax imposed by this Article, whether paid in cash to the employee or added to the bill and charged to the purchaser's account, provided in the latter case, the full amount of the gratuity is turned over to the employee by the seller.

An amount or percent, whether designated as a gratuity, tip or service charge, that is added to the price of the food and beverages by the seller, and required to be paid by the purchaser, shall be deemed a part of the selling price of the food and beverages and shall be subject to the tax imposed by this Article.

Sec. 21-54 Reporting of taxes collected; remittance; preservation of records

It shall be the duty of every person required by this Article to collect the taxes imposed by this Article to make a report thereof setting forth such information as the Treasurer may prescribe and require, including all purchases taxable under this Article, the amount charged the purchaser for each such purchase, the date thereof, the taxes collected thereon and the amount of tax required to be collected by this Article. Such reports shall be made, and the taxes required to be collected by Section 21-51 shall be remitted to the Treasurer on or before the twentieth (20) day of the calendar month following the month being reported. All records related to the calculation and imposition of the tax shall be kept and preserved for a period of five (5) years. The Treasurer or his/her duly authorized agents shall be entitled to examine such records at reasonable times and without unreasonable interference with the business of such person, for the purpose of administering and enforcing the provisions of this Article, and to make copies of all or any parts thereof.

Sec. 21-55 Procedure upon cessation of business

Whenever any person required to collect and pay to the Town a tax imposed by this Article shall cease to operate, go out of business or otherwise dispose of the business, any tax then payable to the Town shall become immediately due and payable, and such person shall immediately make a report and pay the tax due to the Town.

Sec. 21-56 Penalty and interest upon failure to report or remit tax

If any person whose duty it is to do so shall fail or refuse to make the report or remit the tax required by this Article within the time and in the amount required, there shall be added to the tax by the Treasurer a penalty in the amount of ten percent (10%) of the tax, and interest thereon at the rate of ten percent (10%) per annum, which shall be computed upon the tax and penalty from the date such were due and payable.

Sec. 21-57 Violations and penalties

Sec. 21-57:1 Any person willfully failing or refusing to file a report or make payment as required under this Article shall, upon conviction thereof, be guilty of a class I misdemeanor except that any person failing to file such a return shall be guilty of a class III misdemeanor if the amount of tax lawfully assessed in connection with the return is \$1,000.00 or less. Any person violating or failing to comply with any other provision of this Article shall be guilty of a class I misdemeanor.

Sec. 21-57:2 Except as provided in subsection 21-58:1 above, any corporate or partnership officer, as defined in Virginia Code §58-1-3906, or any other person required to collect, account for, or pay over the meals tax imposed under this Article, who willfully fails to collect or truthfully account for or pay over such tax, or who willfully evades or attempts to evade such tax or payment thereof, shall, in addition to any other penalties imposed by law, be guilty of a class I misdemeanor.

Sec. 21-57:3 Each violation of or failure to comply with this Article shall constitute a separate offense. Conviction of any such violation shall not relieve any person from the payment, collection or remittance of the tax as provided in this Article.

Sec. 21-58 Regulations for administration and enforcement

The Treasurer may issue regulations for the administration and enforcement of this Article.

ARTICLE VI Transient Occupancy Tax

Sec. 21-59 Definitions

For the purpose of this Article, the following words and phrases shall have the meanings respectively ascribed to them by this section unless the context clearly indicates a different meaning:

TREASURER - The Treasurer and any duly designated deputies, assistants, inspectors or other employees

HOTEL - Any public or private hotel, inn, hostelry, tourist home or house, motel, rooming house or other lodging place within the town offering lodging as defined in this section, for compensation to any transient, as hereinafter defined in this section.

LODGING - Room or space furnished any transient.

PERSON - Any individual, corporation, company, association, firm, co-partnership or any group of individuals acting as a unit.

TRANSIENT - Any person who, for a period of not more than ninety (90) consecutive days, either at his/her own expense or at the expense of another, obtains lodging or the use of any space at any hotel, for which lodging or use of space a charge is made.

Sec. 21-60 Imposition of tax

There is hereby levied and imposed, in addition to all other taxes and fees of every kind imposed by law, on each transient obtaining or occupying lodging, a tax equal to a percentage of the total amount paid for such lodging or the use of space by or for any such transient to any hotel. Such percentage shall be at the rate established by an uncodified ordinance enacted by the Town Council. Such tax shall be collected from such transient at the time and in the manner provided by this Article.

Sec. 21-61 Collection and payment of tax; collections to be held in trust

Every person receiving any payment for lodging or the use of space with respect to which a tax is levied under this Article shall collect the amount of such tax so imposed from the transient on whom such tax is levied, or from the person paying for such lodging, at the time payment for such lodging is made. The taxes required to be collected under this Article shall be deemed to be held in trust by the person required to collect such taxes until the same shall have been remitted to the Treasurer.

Sec. 21-62 Reports and remittances

The person collecting any tax as provided in this Article shall make out a report thereof upon such forms setting forth such information as the Treasurer may prescribe and require, showing the amount of lodging charges collected and the tax required to be collected and shall sign and deliver such reports with the remittance of such tax to the Treasurer. Such reports and remittances shall be made quarterly on or before the 20th day of the calendar month following the quarter being reported.

Sec. 21-63 Penalty and interest upon failure to report or remit tax

If any person shall fail or refuse to report and remit to the Treasurer the tax required to be collected and paid under this Article within the time and in the amount as provided for in this Article, there shall be added to such tax by the Treasurer a penalty in the amount of ten percent (10%) of the tax due or the sum of ten dollars (\$10.00), whichever is greater; provided, however, that the penalty shall in no case exceed the amount of the tax due. The Treasurer shall also assess interest on the tax and penalty at the rate of ten percent (10%) per year from the day after the tax is due until paid.

Sec. 21-64 Procedure when tax not collected or reported

If any person shall fail or refuse to collect the tax imposed under this Article and to make within the time provided herein any report and remittance required, the Treasurer shall proceed in such manner as he/she may deem best to obtain facts and information on which to base the tax due. As soon as the Treasurer shall secure such facts and information as he/she is able to obtain upon which to base the assessment of any tax due and payable by any person who has failed or refused to collect such tax and to make such report and remittance, he/she shall proceed to determine and assess against such person the tax, penalty and interest as provided for in this Article and shall notify such person by registered mail, sent to the last place of known address, the amount of such tax, penalty and interest, and the total amount thereof shall be payable within ten (10) days of mailing of such notice. The Treasurer shall have the power to examine such records for the purpose of administering and enforcing the provisions of this Article as are provided by law.

Sec. 21-65 Preservation of records

Refer to Virginia State Code §42.1-76 - Preservation of Records.

Sec.21-66 Procedure upon cessation of business

Whenever any person required to collect and pay to the Town a tax imposed by this Article shall cease to operate, go out of business or otherwise dispose of his/her business, any tax then payable to the Town shall become immediately due and payable, and such person shall immediately make a report and pay the tax due to the Treasurer.

Sec. 21-67 Exceptions

No tax shall be payable hereunder with respect to any payment for lodging or the use of space paid by or for any federal, Virginia, County of Loudoun or Round Hill official or employee when on official business.

Sec. 21-68 Penalties

Penalties shall be as prescribed in Town Code Section 21-46 – Penalties.

State Law reference— Criminal penalties for failure to file returns, false statements, Code of Virginia, § 58.1-3916.1.

**ROUND HILL TOWN COUNCIL
REGULAR MEETING MINUTES
January 23, 2020**

A Regular Meeting of the Round Hill Town Council was held at the Town Office, 23 Main Street, Round Hill, Virginia, on Thursday, January 23, 2020, at 7:30 p.m.

Council Members Present

Scott T. Ramsey, Mayor
Mary Anne Graham, Vice-Mayor
Donald W. Allen
Amy E. Evers
Melissa Hoffmann (arrived at 7:50 p.m.)
Michael B. Hummel
Paula James

Staff Members Present

Danielle Albright, Town Planner
Marty Feltner, Town Utility Supervisor
Maureen Gilmore, Town Attorney
Sue Holland, Town Treasurer
Robert Lohr, Project Specialist

Staff Members Absent

Melissa Hynes, Town Administrator/Zoning Administrator

Others Present

Deputy Fornwalt, Loudoun County Sheriff's Office
Patrick Szabo, *Loudoun Now*
Clinton Chapman

IN RE: CALL TO ORDER & PLEDGE OF ALLEGIANCE

Mayor Ramsey called the meeting to order at 7:38 p.m. Vice-Mayor Graham led those present in the Pledge of Allegiance.

IN RE: ROLL CALL

Mayor Ramsey stated that, with all Councilpersons except Councilperson Hoffmann, as well as Vice-Mayor Graham and himself, present a quorum was established.

IN RE: COMMUNITY POLICING

Deputy Fornwalt reported that Deputy Carpenter recently had surgery, and will be out for six to eight weeks. The Deputy further reported that traffic control, particularly on New Cut Road and

Main Street, has been a main focus for the department. Deputy Fornwalt stated that an additional item being addressed by the Sheriff's Office is the pedestrian tunnel under the Route 7 Bypass; it was noted that security cameras will be installed at the tunnel this week, and will be monitored by the Town. Deputy Fornwalt explained how the Sheriff's Department manages these cameras, and asked that Town Staff/representatives call with any questions or concerns they may have. Deputy Fornwalt noted that a new Lieutenant, Lieutenant Buckman, has been assigned to the Western Loudoun Station and should be on-site soon, that the station's Sergeant has been promoted and will be leaving soon, with his replacement already appointed, and that the station's Captain is currently undergoing training at the FBI Academy.

Mayor Ramsey asked if the person who recently caused damage with a bb gun has been caught; Deputy Fornwalt stated that he/she has not yet, but that the issue continues to be investigated.

Deputy Fornwalt asked if there were any further questions; Mayor Ramsey noted that there will likely be a number of questions when the Route 9 project begins, with Deputy Fornwalt stating that the Department will work to help alleviate problems related to that construction.

The Council thanked the Deputy for his report.

IN RE: PUBLIC COMMENT

There was no Public Comment.

IN RE: ADOPTION OF REGULAR MEETING AGENDA (Amendments & Deletions)

Vice-Mayor Graham moved **that the Council adopt the Agenda, with the addition of the following: the *Consortium Resolution*, under *Action Items*, and a *Closed Session* regarding *real estate matters*, following Council Comments;** Councilperson Allen seconded the motion. Councilperson Hummel requested that a *Planning Commission Report* be added to the Agenda; Mayor Ramsey suggested that that report be provided during Council Comments. A vote was then held; the motion was approved 5-0, with Councilperson Hoffmann absent. The vote is recorded as follows:

<u>MEMBER</u>	<u>VOTE</u>
Michael B. Hummel	Aye
Paula James	Aye
Donald W. Allen	Aye
Melissa Hoffmann	Absent
Mary Anne Graham	Aye
Amy E. Evers	Aye

IN RE: APPROVAL OF MINUTES

1. October 24, 2019 Regular Meeting

Vice-Mayor Graham made a motion **that the minutes be approved;** Councilperson Hummel seconded the motion. There was no discussion of the motion. A vote was held;

the motion was approved 5-0, with Councilperson Hoffmann absent. The vote is recorded as follows:

<u>MEMBER</u>	<u>VOTE</u>
Michael B. Hummel	Aye
Paula James	Aye
Donald W. Allen	Aye
Melissa Hoffmann	Absent
Mary Anne Graham	Aye
Amy E. Evers	Aye

IN RE: BUSINESS ITEMS

1. Draft Amendments to the Water & Sewer Ordinance

Vice-Mayor Graham presented this item, providing to Council changes to the Ordinances she and Town Administrator/Zoning Administrator Hynes recommend following their review. Vice-Mayor Graham requested that Council Members review the documents and provide comments. Council provided some comments during the meeting, and Town Attorney Gilmore suggested that the Vice-Mayor and Town Administrator further edit Article II, Section 2.

2. Draft Meals Tax & Transient Occupancy Tax Ordinance

Town Attorney Gilmore presented this item, providing Council Members with draft documents which she and Deputy Zoning Administrator Semmes have reviewed and edited. Ms. Gilmore requested that Council provide potential tax rates, so that the documents may be finalized prior to advertisement. Town Attorney Gilmore explained how these taxes may impact business owners, with it being noted that the owners collect the tax, but that the amount collected does not come from the business' earnings. Ms. Gilmore noted that proceeds from these taxes go to the General Fund, to be used for community projects. Additionally, Ms. Gilmore explained, the alternate method available to the Town to raise funds for these projects is the levying of real estate taxes, which do come from a business' profits. Town Attorney Gilmore requested comment from Council on the documents.

A lengthy discussion of these taxes followed; the discussion included how the meals tax is broken down on a sales receipt, how the imposition/collection of a meals tax may affect a catering business, any potential affect on catering contracts in place prior to the adoption of a meals tax, and that the proceeds from these taxes are generally dedicated to specific projects. Mayor Ramsey requested that the Meals Tax Ordinance be written in such a way that the rate may be set in the Fee Schedule each year, and that the Ordinance be adopted with a zero percent rate. Mayor Ramsey noted his belief that the Council should move slowly on this effort, and that outreach must be made to business owners. Mayor Ramsey requested projections for the amount of revenue which may be realized from the imposition of these taxes.

Mayor Ramsey instructed Staff to provide an electronic copy of the updated Ordinances to Council prior to the meeting of February 6, with this item to be included on that Agenda; he further instructed Staff to advertise the Ordinances for Public Hearing only when the documents are ready.

3. FY2021-2025 Capital Improvement Plan (Utility & General Funds)

Project Specialist Lohr presented this item, noting that ten new projects are included in this budget document, most of which are slated for two-to-three years in the future. Mr. Lohr then provided information on the following projects:

- Tunnel Rehabilitation and Security Program – it was recently discovered that Round Hill is responsible for the tunnel under the Route 7 Bypass; this project includes installation of security measures (such as cameras and lighting), providing education to the public regarding prohibited activities (via printed information and posting of signs), working with the County to secure funding for various measures proposed for the site, and working with the Round Hill Owners' Association (RHOA) on issues such as landscaping.
- WWTP Upgrades (Phase 2) – this project follows the Phase 1 upgrade, which was undertaken last year; Phase 2 includes paving around the SBR's/Blower Building and/or below the filter building, representing a two-year project.
- Replacement Utility Truck – the purchase of a light bar and converters will be added to the cost of this item.
- Water Line and Valve Upgrades – funding has been included for this project for the next five years; the project includes water line and valve upgrades in the Stoneleigh subdivision and to the main Town systems.
- Utility System GIS Mapping Program – this is a proposal to purchase a Utility GIS system which will allow for the marking, and subsequent storage, of all water and sewer mains, hydrants, manholes, valves, meters, and any other identified critical operational component of the Town's utility system.
- Painting and Repairs to Stoneleigh Water Tank – this is a proposal to paint the outside of the tank, and to continue, with Liquid Engineering, to dive inside the tank in order to make needed repairs; additionally, altitude valves and operational valves will be repaired, and trees that pose a threat to the tank will be removed.
- Well D Testing and Development – this is a proposal to complete the long-term testing, hydro study, and permitting of this potential well site, on a parallel track to acquiring the site from the RHOA.
- New Regional WTP to Replace ESWTP – this will be a necessary step to bringing the proposed Well D on-line, in order to provide adequate infrastructure; the plan is to continue to run the existing plant while land is acquired and a new facility is built.

Discussion of the New Regional WTP ensued, with Mayor Ramsey requesting alternatives to the building of a completely new facility, including the possibility of expanding the existing facility. Staff will provide this information to the Council.

- Existing Well Rehabilitation – this project includes cleaning of the well casing, recharge area around the well casing, and air and pressure jetting of any the Town's existing wells identified as being in need of this process; a pilot program to include the cleaning of two wells is proposed, with other wells in the system to be cleaned as needed.

It was requested that only one well be cleaned in the pilot program, during FY2021; discussion ensued regarding the well which should be included in the pilot program, with Well 2C identified.

- AWIA Risk Assessment – this is a risk assessment required under the *America's Water Infrastructure Act*, which assesses the security and operational components of the Town's utility systems; this is due by December 31, 2021.

Mayor Ramsey requested that a less expensive option to complete this requirement be identified.

IN RE: ACTION ITEMS

1. Contract for Utility Administrative Offices Study & Concept Plan

Project Specialist Lohr presented this item, explaining that Town Administrator/Zoning Administrator Hynes sought proposals for conducting this work, receiving three; it was felt that the proposal provided by Karl Riedel Architecture, PC, of Leesburg, Virginia, was the most suitable. Mr. Lohr noted that the proposal from this firm is included in Council Members' packets. Mr. Lohr further noted that Town Administrator/Zoning Administrator Hynes hopes to proceed with this effort as quickly as possible. In response to a question from Vice-Mayor Graham, Project Specialist Lohr explained that he does not recommend Round Hill attempt to meet the LEED standards in the construction of this building. Vice-Mayor Graham then made a motion **that the Town Council approve the contract for architectural engineering services by Karl Riedel Architecture, PC, in the total amount of \$25,950.00.** In response to a question from Council, it was explained that this contract is for the completed concept design; elements of the concept design included in the proposal were briefly discussed. Councilperson Hummel then seconded the motion. Mr. Hummel noted that the resume presented is very impressive, with Mayor Ramsey noting that the projects included in the proposal are all similar to the request Round Hill has made. A voice vote was held; the motion was approved 6-0. The vote is recorded as follows:

<u>MEMBER</u>	<u>VOTE</u>
Michael B. Hummel	Aye
Paula James	Aye
Donald W. Allen	Aye
Melissa Hoffmann	Aye
Mary Anne Graham	Aye
Amy E. Evers	Aye

Mayor Ramsey instructed Staff to proceed with this effort.

2. Authorization for Participation in Town Consortium

Mayor Ramsey noted that this consortium has been discussed for some time, and called for a motion. Vice-Mayor Graham moved **that the Round Hill Town Council approve the Resolution authorizing Staff to participate in a Town Consortium for the purpose of the development and issuance of a Regional Request for Proposals for Refuse and Recycling services**; Councilperson Allen seconded the motion. Mayor Ramsey reminded those in attendance that approval of this Authorization does not obligate Round Hill to any specific proposal/contract, but allows representatives from Middleburg to solicit proposals on our behalf; each town will sign individual contracts. Project Specialist Lohr reported that, when this was done in the past, it was quite successful. Mayor Ramsey noted that the goal in undertaking this effort is to ensure that recycling is collected and actually recycled. It was noted that any questions regarding this be directed to Town Planner Albright. There being no further discussion, a vote was held; the motion was approved 6-0. The vote is recorded as follows:

<u>MEMBER</u>	<u>VOTE</u>
Michael B. Hummel	Aye
Paula James	Aye
Donald W. Allen	Aye
Melissa Hoffmann	Aye
Mary Anne Graham	Aye
Amy E. Evers	Aye

IN RE: REPORTS

1. Town Planner Report

Town Planner Albright reported on the following items:

- A contract has been let for Town Office renovations; work continues to secure a company to do the needed grading. Ms. Albright noted that Mr. Bzdyk has been a great asset in this effort.
- The Round Hill Outdoor Committee recently met and discussed the Appalachian Trail Festival, which is scheduled for June. The *Tree City USA* program was

introduced to the committee at this meeting; a steward for this effort is needed. The next meeting of the committee is scheduled for February 18th.

- A number of professional development opportunities undertaken.
- She took the tour of Utility facilities and found it helpful.
- The contract with Wildwood Landscaping, for installation of Christmas lights at the Town Park, has been secured. Wildwood has expressed interest in providing this service again next year.
- Work continues on securing a grant through the *Sun Safety Program*.
- She met recently with an Eagle Scout candidate whose project will be constructed at Sleeter Lake Park.
- She will work to develop requirements for those wishing to volunteer with the Town.

2. Town Administrator Report

This report was not provided.

2. Mayor's Report

Mayor Ramsey reported on the following:

- He will meet with Mr. Luppino-Esposito, of the Round Hill Owners' Association (RHOA), tomorrow regarding the well easement, and to provide an update on the pedestrian tunnel.
- He attended a Coalition of Loudoun Towns (COLT) meeting last evening, also attended by new Board of Supervisors members. The purpose of the meeting was to build ties with the new Board, and to outline to the Board issues COLT hopes will be addressed in the near-term. Issues discussed included: the revision of the County's Zoning Ordinance; that clustering regulations be revisited to protect arable land; that co-housing represents a by-right use in the Zoning Ordinance, but that no regulations are associated with the use; that the Mayor of Hamilton advocated for a County police force, representing his personal position, not an official COLT position; and, that Mayor Vance of Hamilton has been appointed to the County Planning Commission by Supervisor Buffington.

IN RE: COUNCIL COMMENTS

Councilperson Hummel noted that he received a recommendation from an acquaintance for Riedel Architecture, PC. Mr. Hummel reported that the Planning Commission passed CPAM-2019-01 at its last meeting, with only the Weona Villa property included; a request was made that Staff provide the document to the Council at least a week in advance of its February 6th meeting. Comments from Planning Commission members will be received, and will be provided to Council, as well. Finally, a Staff Report is to be included with the CPAM forwarded to the Council. Councilperson Hummel noted that the deadline to file to run for office in Loudoun County is in early March; a list of those whose terms will expire was requested. Town Attorney Gilmore noted

that the deadline to file is March 3, 2020. Finally, Councilperson Hummel stated that care should be taken regarding opposition to clustering, as that could have detrimental effects on conservation easements. Discussion of clustering ensued. At the Mayor's invitation, Mr. Hummel indicated his interest in attending a COLT meeting, so that this issue may be further addressed.

Vice-Mayor Graham reported that Ms. Kim Ramsey is beginning to organize for this year's Hometown Festival, scheduled for Saturday, May 23rd, and that volunteers are welcomed. Ms. Graham asked about work being undertaken at the storm water management pond in Brentwood Springs; Councilperson Hummel reported that it is being converted to a permanent pond, with silt being excavated.

IN RE: CLOSED SESSION

Vice-Mayor Graham moved **that the Round Hill Town Council recess its open meeting and convene a closed session to discuss real estate matters as authorized by Code of Virginia of 1950, as amended, §2.2-3711(A)(3), with Town Attorney Gilmore and the Utility Supervisor Feltner invited to attend;** Councilperson Evers seconded the motion. There was no discussion of the motion. A voice vote was held; the motion was approved 6-0. The vote is recorded as follows:

<u>MEMBER</u>	<u>VOTE</u>
Michael B. Hummel	Aye
Paula James	Aye
Donald W. Allen	Aye
Melissa Hoffman	Aye
Mary Anne Graham	Aye
Amy E. Evers	Aye

Mayor Ramsey declared that the Town Council is now in Executive Session, and called for a recess at 10:10 p.m.

IN RE: ADJOURN CLOSED SESSION AND RECONVENE OPEN MEETING

Vice-Mayor Graham moved **that the Round Hill Town Council adjourn its Closed Session and reconvene its open meeting;** Councilperson Evers seconded the motion. There was no discussion. A voice vote was held; the motion was approved 6-0. The vote is recorded as follows:

<u>MEMBER</u>	<u>VOTE</u>
Michael B. Hummel	Aye
Paula James	Aye
Donald W. Allen	Aye
Melissa Hoffman	Aye
Mary Anne Graham	Aye
Amy E. Evers	Aye

Mayor Ramsey stated that the Town Council is now in Open Session

IN RE: CERTIFICATION OF CLOSED SESSION

Vice-Mayor Graham moved **that the Round Hill Town Council certify that, while in Closed Session, the Round Hill Town Council discussed only those matters that were contained in the motion by which the Town Council convened its Closed Session, and that were lawfully exempt from open meeting requirements;** Councilperson Evers seconded the motion. There was no discussion. A voice vote was held; the motion was approved 6-0. The vote is recorded as follows:

<u>MEMBER</u>	<u>VOTE</u>
Michael B. Hummel	Aye
Paula James	Aye
Donald W. Allen	Aye
Melissa Hoffman	Aye
Mary Anne Graham	Aye
Amy E. Evers	Aye

IN RE: MEETING ADJOURNMENT

The meeting was adjourned by Mayor Ramsey at 10:25 p.m.

Respectfully submitted,

Scott T. Ramsey, Mayor

Debra McDonald, Recording Secretary

Mayor

Scott T. Ramsey

Council

Mary Anne Graham, Vice Mayor

Mike Hummel

Amy Evers

Donald Allen

Melissa Hoffmann

Paula James

Town Administrator/Clerk

Melissa Hynes



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STAFF REPORT**ACTION ITEM**

TO: Mayor and Town Council

SUBJECT: Emergency Valve Installations

DATE OF MEETING: March 19, 2020

STAFF CONTACTS: Melissa Hynes, Town Administrator
Robert W. Lohr, Jr., Project Support

Summary and Recommendations:

Over the last year and more specifically the last month as we began pushing ahead with some CIP Initiatives, the staff has identified two substantial weaknesses in our system that we need to address as quickly as possible before we begin the Stoneleigh Valve Project and Disposal of the Large Reservoir Project. The Town staff is recommending that we move forward with the installation of one Inserta valve now at the Stoneleigh Water Tank and one Inserta Valve at the base of the Town's large reservoir

Background:

Based on our October Water Emergency and follow up work this winter, it has become clear that we don't have the ability to close off the tank in an emergency to allow us to save water and potentially isolate the leak area depending on where it is located. In discussions with Keith and Marty, both feel that we should go ahead and secure this now and it will allow us to more safely explore and work on other valve related issues in Stoneleigh with the safety of knowing that we can isolate the tank in an emergency leak or break. They would feel more comfortable not waiting 4 months.

The second issue was identified last week as we continue the work to prepare for the sale of the reservoir and responded to a request to locate our water line on easements heading into

the Town. We have a legal obligation to locate all our lines under Miss Utility and with the current line construction using leaded joints it is very difficult to accurately trace the lines. Coupled with the fact that a break in the line below the reservoir could create a substantial issue with a large volume of water coming from the reservoir and springs. This is further compounded by the fact that the valves may not be operational and have not be used for over 25 years. All of this creates a situation of uncertainty and liability. As a result, staff determined last week that the best course of action would be installing an Inserta Valve. This valve would provide the following benefits at the reservoir:

- Allow the Town to sell the reservoir for the most amount of money since it will have water in it and no exposure downline.
- Because the reservoir was built after the water line and springs were put in, the only way to effectively and safely shut off water downstream of the reservoir is to put a new valve which will stop water from the 4 inlets in the reservoir and water line being fed from spring #1 and spring #2. This valve will isolate the lines, intakes and springs above the dam to minimize any potential large breaks.
- By shutting off all water in the old line that use to feed the Town, the Town can now safely abandon the line and potentially the easements heading into Town.

Issues:

Both issues were identified this year after the FY 20 Budget was adopted and implemented. Staff has identified operational funding that would easily facilitate a budget amendment. Because this approval involves a TC transfer and not a new funding, it doesn't require a public hearing but only a vote by TC.

Budget Impact:

The Town proposes to transfer \$32,000 from the Well Maintenance operational budget (#501-4520000-4538) to Water Line Repairs (#501-4520000-4549) to pay for these two new valve installations.

Motion(s):

"I move that we approve the installation of two Inserta Valves with one at the Stoneleigh Water Tank and the second one being installed at the Large Reservoir. This involves the transfer of \$32,000 from the Well Maintenance Budget to the Water Line Repairs Budget."

Attachments:

None

ATTACHMENT 1

Mayor
Scott T. Ramsey

Council
Mary Anne Graham, Vice Mayor
Mike Hummel
Amy Evers
Donald Allen
Melissa Hoffmann
Paula James

Town Administrator/Clerk
Melissa Hynes



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STAFF REPORT

ACTION ITEM

TO: Mayor and Town Council

SUBJECT: Modification #1 to the MOU of Understanding for Cost Participation and Cooperative Procurement Between the County of Loudoun and the Town of Round Hill for the Franklin Park/Main

DATE OF MEETING: March 19, 2020

STAFF CONTACTS: Melissa Hynes, Town Administrator
Robert W. Lohr, Jr., Project Support

Summary and Recommendations:

The County of Loudoun and the Town has been working for over two years to get this project to the finish line and award the bid. The final proposed award is now being reviewed by VDOT and we hope to award in the next several months. During this period of intensive review by VDOT, the Town worked with the County staff to push through a series of positive negotiations to make sure that this project could move forward and the staff now recommends that the TC approve this modification to the original MOU to allow for the pathway to complete these changes which will have the County contributing significantly to our Main Street Project and serve as the fiscal agent under the TAP/TEA Grant.

Background:

Approximately 5 years ago, the TC and staff began talking with the County to link the Franklin Park Trail to the Main Street Project for project management and procurement purposes. This made enormous sense because of the functional use and infrastructure linkage of both projects. These discussions culminated in a MOU that was adopted by the Town and County in

early 2018. A copy of this agreement is included under Attachment 1. As the Town continued to work with the County on a weekly basis to complete the design and final VDOT review, the Town staff began to explore with TC approval an expanded role for Loudoun County to help the Town with the anticipated cost overruns on a project that was almost 10 years old in grant funding and the amount of additional fiscal impact it cost the Town to administer this project from a financial aspect. The Town reached an agreement where the County would serve as the Fiscal Agent and contribute \$1,000,000 to help with CEI cost and the projected high bids for the project. A summary of the proposed expanded role of the County is outlined in two documents under Attachment II. This expanded County role in our Main Street Project has the following direct benefits:

- Provides County funding of over a \$1,000,000 for the project to cover cost that the Town didn't anticipate when we began this project over 10 years ago such as CEI Consultant, bids higher than the expected cost and other direct expenses.
- Reduces the direct financial cost that the Town would incur by having our Treasurer and finance department review bills, make payments to the County and Contractors, maintain all the financial files in a format acceptable to VDOT.
- Reduces the additional cost to the Town to have a Project Manager review and maintain all the required payment request and federal documents.
- Allows both grants to be channeled to the County and the County will have their expanded team that handles the finances of these type of Capital Projects dedicated to managing all financial records and payment processes daily.

Issues:

Loudoun County has agreed to expand their role to address these needs and their team wanted to modify the agreement to allow for this expanded role along with providing for a mechanism to further change or improve the financial management process of this grant program as long as there were mutually agreed benefits to all parties. This is one of the first time when the feds and VDOT have had two independent grant projects merged under one umbrella for the purposes of improved delivery of the project and financial savings. While everyone is in full agreement, it takes a little reflection and program/policy changes on the bureaucratic side of VDOT and FHWA to make this happen and we have allowed for maximum flexibility on the Town and County side. The proposed amendment to the MOU that the County wants to enable this to occur is included under Attachment III

Budget Impact:

The direct benefits of the Town and County entering into this expanded agreement where the County will serve as the Fiscal Agent includes a savings to the Town of over \$1,000,000 in

budgeted funding for our projects. The indirect savings in Town staff time to handle the financial side of this grant will result in an anticipated annual \$20,000 saving in staff time if the County is designated the Fiscal Agent for the Town and handles all of the grant and payment request.

Motion(s):

"I move that we approve Modification #1 to the MOU for Cost Participation and Cooperative Procurement Between the County of Loudoun and the Town of Round Hill for the Franklin Park and the Round Hill Main Street Project included under Attachment III."

Attachments:

Attachment I – Signed MOU between the Town and County (3/6/2020)

Attachment II – Summary of LoCo's expanded role as Fiscal Agent

Attachment III – Proposed Modification #1 to MOU

ATTACHMENT 1

**MEMORANDUM OF UNDERSTANDING FOR COST PARTICIPATION AND
COOPERATIVE PROCUREMENT BETWEEN THE COUNTY OF LOUDOUN AND
THE TOWN OF ROUND HILL FOR THE FRANKLIN PARK AND THE ROUND HILL
MAIN STREET PROJECTS**

THIS MEMORANDUM OF UNDERSTANDING AND AGREEMENT ("MOU") is made this 16th day of March, 2018, by and between the **COUNTY OF LOUDOUN, VIRGINIA** ("County"), a political subdivision of the Commonwealth of Virginia, and the **TOWN OF ROUND HILL, VIRGINIA**, a political subdivision of the Commonwealth of Virginia ("Round Hill" or "Town"), (the County and Round Hill being individually referred to as "Party" and collectively referred to as the "Parties").

WITNESSETH

WHEREAS, County has committed to the improvement of East Loudoun Street, in the Town of Round Hill, through the addition of curbs and gutters, storm water pipes, sidewalks, and pavement, from Main Street to approximately the eastern edge of the Town boundary, as set forth in 100% design plans prepared by Dewberry identified as Project EN00-0530162 ("County Project"); and

WHEREAS, Round Hill has committed to the improvement of Main Street, in the Town of Round Hill, through the addition of curbs and gutters, storm water pipes, sidewalks, and pavement, from the old Round Hill train station to approximately the intersection at East Loudoun Street, as set forth in 100% design plans prepared by Stantec identified as Project EN08-291-131 ("Town Project"); and

WHEREAS, the County and Town have determined that the simultaneous construction of the County Project and Town Project (collectively the "Improvements") will result in a significant cost savings to the Parties and will minimize public inconvenience and potential damage to public infrastructure; and

WHEREAS, the Parties have agreed to jointly construct the Improvements of which approximately fifty percent (50%) of the work is to occur on East Loudoun Street and approximately fifty percent (50%) of the work is to occur on Main Street. The scope of the Improvements covers approximately one-half mile of road improvements in Round Hill; and

WHEREAS, a portion of the County Project is located outside of the Town of Round Hill and the portions of the County Project outside the Town boundaries are not subject to this Memorandum of Understanding and Agreement, unless specifically referenced; and

WHEREAS, the Parties have each arranged for federal funding of County Project and Town Project under the Transportation Alternatives Program which mandates certain requirements and procedures in the management and construction of the projects, and which the Parties will abide; and

WHEREAS, the County and Town each are required under their projects to obtain certain right of ways and coordinate certain utility relocations in order to proceed with the Improvements; and

WHEREAS, the County is in a position to develop and issue, in coordination with the Town, a cooperative solicitation for the management, inspection and construction of the Improvements once all of the required Right of Ways are obtained by the Parties.

WHEREAS, the County and Town, with this MOU, wish to set forth the basic framework for the development, procurement, funding, and construction of the Projects, to be further defined in detail in additional amendments by the appropriate designee from the County and the approval of the Town Council; and

NOW THEREFORE, the County and Town, for and in consideration of the mutual promises and covenants hereinafter contained, hereby agree as follows:

AGREEMENT

1. Recitals. The foregoing recitals are incorporated by reference herein.
2. Procurement. The County and the Town shall conduct a cooperative procurement solicitation pursuant to Virginia Code § 2.2-4304. The County shall, pursuant to its required processes, be responsible for the solicitation of bids for the construction of the County Project and Town Project concurrently as one project. A unit price contract will be used for the Improvements and such bids shall contain separate line items for the County Project and Town Project, such that separate bid amounts can be determined for the County Project and Town Project. The Town shall have the right to review the Invitation for Bid (IFB) and bid submissions, subject to any restrictions under the applicable procurement laws or regulations.
3. Funding. Each Party will be responsible for the funding of that Party's Project as set forth in the procurement process. To facilitate the bid process, the Parties will demonstrate, prior to any award of a contract, that the Parties have sufficient funds equivalent or greater to the Engineers' Estimate for the Project plus a 10% contingency, or other demonstration of such funding as agreed to, as a written amendment, by the Parties.
4. Contractor Selection. The County may award the construction contract (the "Construction Contract") to a contractor (the "Contractor") upon terms and conditions, and for a contract amount, acceptable to the County in its sole discretion, in accordance with all lawful requirements. The Town shall have the right to review the contract documents at all times. Prior to the selection of a Contractor and the execution of any Construction Contract, the Town shall have the right to review the contract amount for the Town Project (the "Town Contract Price"). The County shall notify the Town, in writing or by electronic mail, of its proposed selection of the

lowest responsive and responsible bid and the proposed Town Contract Price. Thereafter, the Town shall have Ten (10) business days to notify the County, in writing or by electronic mail, whether it approves or disapproves of the proposed Town Contract Price. If the Town does not respond within Ten (10) business days, it shall be deemed to have approved the proposed Town Contract Price. However note that if the Town provides notice of disapproval based upon a Contract Price that exceeds its budget, the County shall use its best efforts to renegotiate the Contract Price with the bidder, to the extent permitted by law. The County shall endeavor to obtain a bid within the budget of both the County and Town. Thereafter, the County may execute the Construction Contract with the lowest responsive and responsible bidder. If an acceptable contract amount for the Town Project cannot be agreed upon, then the Town shall have the right to reject the Construction Contract and shall provide written notice to the County of its rejection, and this Agreement shall terminate at such time, and the parties shall have no further liability or obligations to one another under this Agreement, except as specifically set forth herein. If an acceptable contract amount for the County Project cannot be agreed upon, then the County shall also have the right to reject the Construction Contract and terminate this Agreement, and the parties shall have no further liability or obligations to one another under this Agreement, except as specifically set forth herein.

5. **Construction, Engineering, and Inspection Services.** The County shall, pursuant to its required processes, solicit a Request for Proposals (RFP) to seek a consultant to provide Construction, Engineering, and Inspection (CEI) services for both the Town Project and County Project. Representatives from both the Town and County will serve on the Proposal Analysis Group (PAG) to select the CEI services consultant. Upon the selection of a consultant acceptable to both Parties, the County shall enter into contract negotiations with the consultant to provide CEI services with the contract fee to be agreed to by both Parties. Each Party will be responsible for its proportionate share of the CEI services rendered for each Project. In the event that all or part of an invoice for services is not readily attributable to a particular Party, the costs not readily attributable to a particular Party shall be paid pro rata for the Improvements with the County share being 50% and the Round Hill share being 50%.
6. **Construction.** Following the selection of Contractor, unless either Party has elected not to proceed with their portion of the Projects pursuant to Paragraph 4 of this MOU, the County shall enter into a contract for construction of the Improvements for the Round Hill and Loudoun County Improvements to Main and East Loudoun Streets as shown in the 100% design plans prepared by Dewberry on behalf of Loudoun County and Stantec on behalf of Round Hill, all in accordance with all applicable specifications and standards of the Virginia Department of Transportation

(VDOT). Construction of the roadway improvements shall follow the guidelines of the Transportation Alternatives Program (TAP) Program Guide, and, the VDOT local administration agreements with the two Parties. Loudoun County will administer the construction contract for the Improvements for both Parties. The Town of Round Hill shall be identified as a third-party beneficiary in writing in the contracts and the Town shall have all enforcement and warranty rights and remedies under the contracts related to the Town portion of the Improvements.

7. **Project Manager.** The Project Manager for the Construction Contract and CEI Services Contract shall be an employee designated by the Director of the Loudoun County Department of Transportation and Capital Infrastructure. The Town shall designate an employee to serve as the Town Project Manager to whom the County Project Manager will communicate project status and relay items requiring action by the Town.
8. **Right of Way and Easements.** Prior to the County issuance of any IFB, the County and the Town shall obtain all right of way and easements for the roadway improvements as attributed to each respective Party in accordance with the plans and submit Right of Way certification forms to VDOT.
9. **Utility Relocation.** To ensure continuous operation of essential utilities to the businesses, residents, and other property owners and occupants impacted by the Improvements, and in accordance with the property rights of utility providers, the Parties shall cause to be relocated any public or private utilities that are in conflict with the Improvements in Round Hill. In furtherance of this effort, the County has engaged a consultant to perform utility relocation coordination for those parcels located within the approximate corporate boundaries of Round Hill, and Round Hill will utilize its own staff, working with the County, to designate the location of nonexclusive utility easements within the approximate corporate boundaries of Round Hill. Prior to the issuance of notice to proceed to the construction contractor, each Party will have coordinated completion of such utility relocation work necessary to avoid delay to the construction contractor. Any incomplete utility relocation work shall be communicated by each Party to the other Party in order for it to be clearly stated in the project bid documents, and the responsible Party shall coordinate such work to avoid delay to the construction contractor.
10. **Updates to Residential Water Connections on East Loudoun Street.** In order to install storm drain piping along East Loudoun Street as part of the County Project, an existing 2" water line serving several residences to the south of East Loudoun Street will need to be abandoned and new water connections will be required by the residences to the existing 8" water main within East Loudoun Street. The County

will perform all excavation work needed within the County Project's limits of disturbance to allow the Town to install new water services to the affected residences. The Town will perform and communicate the new water service installations and associated disinfection and testing with the residences. The County will coordinate this work with the Town and backfill the excavations once the work is completed.

11. **Utilities Encountered During Main Street Construction.** The Town of Round Hill acknowledges it does not possess information necessary to exactly locate all subsurface utilities within the Main Street right-of-way including, but not limited to, water services and sanitary sewer laterals serving individual lots. As a result, an allowance for Main Street utility adjustments will be established within the construction contract to address any utility adjustment work required within the Main Street right-of-way not outlined on 100% design plans prepared by Stantec. The County Project Manager will seek written approval from the Town Project Manager prior to utilizing the allowance for utility adjustments. Main Street utility adjustment designs will be prepared by the Town or the Town's designated consultant.
12. **Field Sidewalk Adjustments to Individual Lots.** The Town of Round Hill acknowledges that field adjustments may be necessary to connect the new Main Street sidewalk to individual lots to existing conditions that could not be fully identified during the design phase. As a result, an allowance for the field sidewalk adjustments along the Main Street sidewalk will be established within the construction contract. The County Project Manager will seek written approval from the Town Project Manager prior to utilizing the allowance for sidewalk adjustments. Sidewalk adjustment designs will be prepared by the Town or the Town's designated consultant.
13. **Cost Allocation.** The cost of constructing the Improvements shall be borne as follows:
 - a. Loudoun County shall be responsible for all construction costs for Improvements associated with the County Project, from Main Street east to the approximate corporate limits as shown in the 100% design plans prepared by Dewberry, and changes thereto associated with errors or omissions in such plans, including but not limited to, change orders associated with constructability issues; change orders associated with differing site conditions or other unforeseen circumstances; or, Loudoun County-requested design changes. A schedule of bid items including all items within Loudoun County's portion of the project will be part of the bid documents.

- b. Round Hill shall be responsible for all construction costs for roadway improvements associated with the Town Project, from Loudoun Street north to the train station as shown in the 100% design plans prepared by Stantec and changes thereto associated with errors or omissions in such plans, including but not limited to change orders associated with constructability issues; change orders associated with differing site conditions or other unforeseen circumstances; or, Round Hill-requested design changes. A schedule of bid items including all items within Round Hill's portion of the project will be part of the bid documents.
 - c. The Parties shall share the costs of services rendered by the CEI consultant. Invoices for services that are readily attributable to a particular Party's project, including but not limited to, inspection work in each respective Party's project; costs associated solely with errors or omissions of either Party's design consultant; costs associated with design changes or change orders exclusively located in a project; or, delays to the construction contractor's critical path caused by a particular Party shall be paid for by the appropriate Party. In the event that all or part of an invoice for services is not readily attributable to a particular Party, the costs not readily attributable to a particular Party shall be paid pro rata with the County share being 50% and the Round Hill share being 50%. However, Round Hill shall not be held responsible for costs of delays or claims related solely to Loudoun County's administration of the project contract.
14. **Payment.** Each Party shall fund its respective portion of the construction costs for the Improvements and seek its own reimbursement for costs expended. The County Project Manager shall have the authority to approve invoices submitted by the construction contractor and the CEI consultant, after consultation with the Town Project Manager; provided, however that the County Project Manager may not approve invoices for construction or CEI work for the Town Project without the approval of the Town Project Manager, which shall not be unreasonably withheld. Invoices shall be paid by the County, and such payment is due within the times specified in the construction contract and the CEI Contract. Any interest for a late payment; or costs arising from a dispute with the Construction Contractor or CEI consultant arising from nonpayment, is solely the responsibility of the Party from which payment is owing. Fees due to VDOT by each Party shall be paid in accordance with its respective, individual project administration agreement with VDOT.
15. **VDOT Reimbursement of Improvement Costs.** After County payment of the Contractor and/or CEI consultant, the County will prepare separate packages for the

County Project and Town Project seeking reimbursement from VDOT for appropriate Improvement costs. The reimbursement package for the County Project will be submitted by the County directly to VDOT. The reimbursement package for the Town Project will be provided to the Town Project Manager for review. Once acceptable to the Town, the Town will submit the Town Project reimbursement package directly to VDOT. VDOT reimbursement payments for the Town Project will go directly to the County. The Town will be responsible for paying the County for any Town Project costs not reimbursed by VDOT.

16. Construction Change Directives and Change Orders. A change directive is a written order prepared by the Project Manager directing a change in the work prior to agreement or adjustment, if any, in the contract sum, contract time, or both. A change order is a written modification to the construction contract that is developed during construction for the purpose of establishing an agreement between the contractor and the owner to add, modify, or delete pay items, contract time, or other terms of the contract. The County Project Manager shall have the authority to make the final determination as to the necessity of a requested change order, after consultation with the Town Project Manager; provided however that the County Project Manager may not issue a change directive or change order for work solely for the Town Project without the approval of the Town Project Manager, which shall not be unreasonably withheld.
 - a. Loudoun County shall be responsible for all change order costs associated with the roadway improvements to the County Project. The costs of any change order requested and approved by Loudoun County shall be added to Loudoun County's costs, and Loudoun County shall be solely responsible for the payment of such costs.
 - b. Round Hill shall be responsible for all change order costs associated with the roadway improvements to the Round Hill Main Street Project from Loudoun Street north to the train station. The costs of any change order requested and approved by Round Hill shall be added to Round Hill's costs, and Round Hill shall be solely responsible for the payment of such costs.
17. Inspections. The inspector(s) for the construction of the improvements shall be the CEI consultant. The CEI consultant shall be responsible for the following: inspecting the work of the contractor to monitor compliance with the plans, specifications, and grant stipulations and alert the County Project Manager of any known deviations or deficiencies.

18. Allocation of Liquidated Damages. The Construction Contract provides for liquidated damages as specified in the VDOT Road and Bridge Specifications at Section 108.06(b). In the event that liquidated damages are assessed, unless otherwise agreed in writing by the authorized representatives of the Town and County, they will be deducted from any monies due by each Party to the Contractor pro rata with the Loudoun County share being 50% and the Round Hill share being 50%, except that if the remaining work items are solely located in one project, that Party shall be solely entitled to such offsets. In the event that liquidated damages exceed monies due to the contractor, each Party shall be entitled to avail itself of all legal remedies to collect its share of such sum in accordance with the same shares specified above.
19. Term. This Agreement shall be effective upon execution and shall remain in full force and effect until the completion of construction of the roadway improvements, unless terminated as stated in Paragraph 20. The Parties agree that construction shall be complete when final inspection and final acceptance have been duly made by both Parties and the Improvements have been accepted into the VDOT system for maintenance.
20. Termination. In the event that either Party shall for any reason or through any cause be in default of the terms of this Agreement, the other Party may give it written notice of such default. Unless otherwise provided herein or by mutual agreement, the Party in default shall have twenty-one (21) calendar days from the date such notice is mailed or delivered in which to cure the default. If such default is not timely cured, the other Locality may terminate this Agreement as of the date of the default notice and shall be entitled to its reasonable costs, exclusive of the Party's own attorneys' fees, incurred as a result of breach of contract. If contracts referenced in this Agreement are awarded prior to termination of this Agreement, payments due to the construction contractor and/or CEI Consultant will be due in accordance with the terms of this Agreement and the termination provisions of each respective contract.
21. Assignment. Neither Party shall assign its rights and duties under this Agreement without the prior written consent of the other Party, which shall not be unreasonably delayed, refused, or denied.
22. Modification. No modification to this Agreement shall be effective unless made in writing and executed by the authorized representatives of both Parties.
23. Performance. The Parties shall perform their respective obligations to effectuate the intent of this Agreement in a timely and diligent manner.

24. Applicable Law; Compliance with all Laws; Venue; Dispute Resolution.

- a. **Applicable Law.** This Agreement shall be governed by and construed in accordance with the applicable laws of the Commonwealth of Virginia, without regard to the conflicts of laws principles thereof.
- b. **Compliance with all Laws.** The Parties shall comply with all applicable federal, state, and local statutes, ordinances, and regulations now in effect or hereafter adopted, in the performance of their obligations set forth herein. Provided, however, that changes to any law or regulation after the award of the contract incorporating the approved design and plans, that may increase the Parties' construction and/or management costs, shall not be binding on the Parties.
- c. **Venue and Dispute Resolution.** In the event of a dispute between the Parties arising out of or related to the Agreement, the Parties may submit such dispute to mediation upon mutual agreement, or, to a court of competent jurisdiction located in Loudoun County. Each Party shall bear the cost of its own legal fees.

25. Notices. Any notice given hereunder may be mailed, delivered or emailed to the named project contact at the address provided below:

For the County:	Don Bredice Project Manager 101 Blue Seal Drive, Suite 101 PO Box 7500 Leesburg, Virginia 20177-7500
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And

For the Town:	Buster Nicholson Town Administrator PO Box 36 Round Hill, Virginia 20142
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26. Force Majeure. Neither Party shall be deemed to be in default with respect to the performance of any of the terms, covenants, and conditions of this Agreement if a Party's failure to perform, or delay in performance, is caused by war, invasion, insurrection, acts of God, or other disturbances adversely affecting the Locality's

ability to perform and beyond its reasonable control. To the extent that any such cause of the Party's failure or delay in performance is caused by force majeure, the period for the performance by the Party of any act required under the terms of this Agreement shall be extended for a reasonable period of time thereafter to the extent allowed by the construction contract and/or CEI contract.

27. Severability. If any provision in this Agreement is determined by a court of competent jurisdiction to be invalid and unenforceable, then the remaining provisions shall survive and remain valid and enforceable.

COUNTY OF LOUDOUN, VIRGINIA

By: [Signature]

Title: County Administrator

Date: 6/13/18

TOWN OF ROUND HILL, VIRGINIA

By: [Signature]

Title: Town Administrator

Date: 2/6/2018

APPROVED AS TO FORM:

By: [Signature]
Kenneth M. Golski
Assistant County Attorney

APPROVED AS TO FORM:

By: [Signature]
Maureen Gilmore
Town Attorney

ATTACHMENT II

OPTIONS FOR FINANCIAL ARRANGEMENTS FOR TOWN AND COUNTY GRANT

<u>OPTION 1</u>	<u>OPTION 2</u>
Town and County has separate projects under SPAA but County serves as fiscal agent and construction administrator for both projects.	Town and County has separate projects under SPAA but County serves as construction administrator for both projects.
County will front all construction cost and will get direct reimbursements from the VDOT Grant	The Town will submit our monthly reimbursement request prepared by the County to VDOT.
The County will prepare reimbursement packages on behalf of the Town for submittal with the Town having monthly review	The County would bill the Town monthly for any approved expenses under the MOU such as CEI charges.
The Town would submit any internal or miscellaneous cost approved under the agreement to the County for inclusion in the monthly reimbursement to VDOT. The County would then send the reimbursement once it is received from VDOT to the Town	The Town would add to the reimbursement package any internal charges that has been approved under the SPAA for reimbursement.

<u>BENEFITS</u>	<u>BENEFITS</u>
Town will save considerable staff cost and time preparing and submitting monthly reimbursement to VDOT	Town will be responsible for submitting monthly reimbursement to VDOT, but County will prepare the construction reimbursement package based on MOU which will provide some relief
Would reduce the County having to bill us for CEI and other reimbursable expenses and the Town then having to draft a check to the County since it would be handled in the County's billing to VDOT for the Town	Town will have full control over when and how the reimbursement package is sent to VDOT
County has numerous staff at all levels of the project so it would be easy for them to complete the reimbursement when they are doing their document	
It would prevent the Town from having to dip into the reserves to complete the advance payment while we waited on VDOT's	

reimbursement. It would also insulate us if VDOT is delayed or takes longer than usual to reimburse us	
--	--

<u>CHALLENGES</u>	<u>CHALLENGES</u>
Need to make sure we get our internal reimbursements to the County in a timely fashion to be included in the monthly payment request to VDOT	While the County will help with the initial packages, the Town will have to allocate a lot of time of the project specialist to the task of monthly reimbursements
Some loss of control but at a considerable savings to Town	Town will have to make sure we can front up to three months of expenses to make sure we can operate while we are waiting for payment in a delay situation
Requires County to agree to front our payments in advance of the VDOT reimbursement. This expands beyond the scope of the MOU and they may not be willing to do it	

FUNDING SUMMARY FOR TOWN/COUNTY PARTNERSHIP ON MAIN STREET PEDESTRIAN PROJECT

February 11, 2020

BACKGROUND

The Town of Round Hill began working on the Main Street Project over 10 years ago when the Town decided to connect to the County's proposed Franklin Park Trail. During this period, the Town always looked at this project as a comprehensive budget that included all task. The original Town budget included a Total budget in the amount of \$2,538,272 with VDOT approving funding under 3 grants in the amount of \$1,458,843. Under this grant process the following issues occurred that impacted the project:

- The Town didn't procure the engineering services in accordance with the Federal requirements in the program so the Town couldn't get reimbursed for these costs but VDOT approved the Town using these local allocated funds for design and engineering as our local match.
- The Town's project was directly tied to the County's project and couldn't proceed without it. The County's project was delayed for some of the same reasons as the Town and this included acquisitions of right of ways and easements needed to start the project.
- The Town needed to get the 3 grants over a 7-year period to fully fund the project.
- As the project progressed, the Town realized that it needed the County's help both from project management and potential funding as the cost for the project increased as the time period expanded. As a result, the County and Town agreed to a partnership that included project management support from the County and other services. The County also agreed to help the Town with funding support to cover additional cost for the CEI Contract and expected higher than originally projected bids for the Main Street Project.
- The Town had to go through a series of additional reviews at the VDOT level that resulted in additional time and significant engineering cost added to the project cost.

Since November of 2017, the Town and County has been working hard to get this project to bid. The discussions and work centered around the following issues:

- Completing the MOU document.
- Working together with our respective engineers to complete two extensive reviews and final approval by VDOT.
- Two Town funding request to the County's CIP Budget.
- Development of a financial model where the County would serve as the Fiscal Agent for the Town.
- Selection of a CEI firm to support the Town and County in the project.
- Bidding of the project.

Based on discussions over the last year and the fiscal meeting held at DTCL on November 18, 2019, the County ask for a funding summary and payment plan. This draft summary was forwarded in an email to County staff on December 27, 2019. After reviewing the proposed transfer and payment details, County

staff wanted more details and a breakout focusing on cost for the construction bid, CEI cost and an adequate contingency. This request resulted in the document that we are reviewing today.

MAIN STREET BUDGET

While the Town's internal CIP budget has increased three times over the last 10 years to reflect added cost, additional engineering required to get final VDOT approval and the increased construction cost based on the bids, the Town has locked down our final budget cost back in November for the proposed FY 21 CIP Amendment. Here are the amended CIP Project numbers for the Main Street Pedestrian Project:

<u>FUNDING SOURCE</u>	<u>PROJECT FUNDING</u>
VDOT GRANT	\$1,458,843
County Grant (FY 20)	\$500,000
County Grant (FY 21)	\$500,000
RHTF	\$633,925
General Reserves	\$415,462
Proffer (Street Lights)	\$7,501
Utility Reserves	<u>\$18,000</u>
	\$3,533,731
<u>PLANNED USE</u>	<u>PROJECT COST</u>
Construction	\$2,193,731
CEI Contract	\$400,000
Project Management Support	\$70,000
Contingency/Miscellaneous	\$283,740
Acquisition	\$185,000
Engineering	\$385,000
Legal	<u>\$16,260</u>
	\$3,533,731

PROPOSED TRANSFER TO COUNTY

During our meeting in January, the County was concerned about how the Town and County would cover the anticipated final cost. The Town has always looked at this from a holistic total budget approval and the County was focused on the final large cost of construction, CEI contract and project contingency which is most of the cost for this project. There was also concerns that the Town would be making additional funding request from the amount that we transferred that would leave the County short in funding to cover the final cost. As a result, the Town went back and revisited not only the transfer but also the assumptions. Here is a quick summary:

- The Town proposes to transfer the amount shown below to the county in a payment plan with 6 equal quarterly payments to the County beginning when the contract is signed and the notice to proceed is issued.
- Unlike the previous email summary from the Town to Lisa Cockrell dated December 27th, 2019, the Town will not submit any additional request for funding reimbursement from that final amount.
- The Town would ask that any unspent construction contingencies at the end of the project be returned for seed money to put towards decorative Street lights on this project and our next Greenway Pedestrian Linkage which will link up the Town and County's project at Loudoun Street and New Cut Road.
- The most recent budget estimates and funding sources based on the revised VDOT Appendix A, bids and funding sources:

MAIN STREET REVENUE FOR CONSTRUCTION	FUNDING SOURCE
VDOT Grants	\$1,268,668
County Grants	\$1,000,000
Town Transfer	\$553,825
	\$2,822,493
MAIN STREET EXPENSE FOR CONSTRUCTION	CONSTRUCTION PHASE COST
Construction Contract	\$2,200,000
CEI Contract	\$400,000
VDOT Expense Charge	Already removed from Grant Proceeds
Construction Contingencies	\$222,493
	\$2,822,493

SUMMARY

- All the concerns on funding, equity, capturing of true cost and adequately funding the contingency has been addressed by this revised proposal. It provides a clear and documented path for this project to proceed.
- The Town will have paid over \$1,220,000 for this project once it is complete. For a small Town of just over 800 residents with an annual budget of \$800,000 for FY 20, this is an enormous cost and the largest capital project that we have ever undertaken. This project has squeezed our reserves and we cannot pay a penny more for this project.
- The Town currently has \$1.9 million in reserves and this project will take \$1,220,000 leaving the Town with only a little over \$680,000 of which \$430,000 must be secured to meet the minimum level required in our financial policies. The Town has committed every dollar that we have available and keep a minimum reserve for all governmental emergencies.
- The Town will not make any draws or additional request on the money that is being transferred to you for the project.

- The Town will cover the additional engineering cost for any support needed by Stantec and the project support cost of our staff. The County will cover the construction contract, Town's CEI cost, VDOT expense charge and the construction contingencies.
- If there are construction contingency funds left over at the end of the project, we ask that the County agree to return them to us so we can use them for seed money on street light for the trail in our Town and our next pedestrian linkage to this project which we are underway with another grant application to VDOT.
- In closing, this project is a critical project to the Town. We have worked for over 10 years to make it happen and it benefits more County residents than Town because of the critical link to all the RHOA developments in the County. The County Administrator, Supervisor Buffington and County staff at all levels have been very supportive which the Town greatly appreciates. This support has come in the way of the partnership and funding support. Without this support from the County, this project would never have been able to reach this point. Coupled with the hard work of Don Bredice and staff from DTCL, we are at a point to push it forward. This will culminate a two-year effort that resulted in more than 30 meetings and conference calls to get this through the VDOT process, to bid and ready to award the contract this Spring.

ATTACHMENT III

**MEMORANDUM OF UNDERSTANDING FOR COST PARTICIPATION
AND COOPERATIVE PROCUREMENT BETWEEN THE COUNTY OF LOUDOUN
AND THE TOWN OF ROUND HILL FOR THE FRANKLIN PARK AND THE
ROUND HILL MAIN STREET PROJECTS**

MODIFICATION #1

This Modification #1 constitutes an amendment to the above-referenced Memorandum of Understanding dated March 6th, 2018 (MOU) between the **COUNTY OF LOUDOUN, VIRGINIA** (County) and the **TOWN OF ROUND HILL, VIRGINIA** (Town) (collectively, the parties).

Pursuant to Section 22, Modification, of the MOU, the parties agree to modify and amend the MOU as follows:

1. This Modification shall be effective on the date it is fully executed by the parties.
2. Section 15, VDOT Reimbursement of Improvement Costs, shall be deleted in its entirety and replaced with the following:

15. VDOT Reimbursement of Improvement Costs. After County's payment of Contractor's and/or CEI Consultant's invoices for County and Town Project Improvement costs, the County will prepare separate packages for the County Project and Town Project seeking reimbursement of those costs from VDOT. The County shall be responsible for submitting both packages to VDOT. VDOT reimbursements for the County Project will be remitted to the County and VDOT will remit reimbursements for the Town Project to the Town. VDOT reimbursements received by the Town for costs paid for by the County shall be remitted by the Town to the County within thirty (30) days of receipt or as provided for by a separate written agreement entered into between the parties.

In all respects not specifically mentioned or altered by this Modification #1, the original MOU shall remain in full force and effect.

COUNTY OF LOUDOUN, VIRGINIA

By: _____

Name: Tim Hemstreet

Title: County Administrator

Date: _____

APPROVED AS TO FORM:

By: _____

Theresa J. Fontana
Assistant County Attorney

TOWN OF ROUND HILL, VIRGINIA,

By: _____

Name: Melissa Hynes

Title: Town Administrator

Date: _____

APPROVED AS TO FORM:

By: _____

Town Attorney