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Regular Council Meeting
January 22, 2019**

The Appomattox Town Council held a Regular Council meeting on Tuesday, January 22, 2019 at 7:30 p.m. at the Appomattox Municipal Building, 210 Linden Street, Appomattox, Virginia with Mayor Harvey, presiding. *(This meeting was originally scheduled for Monday, January 14, 2019 however due to inclement weather it was rescheduled).*

Members present: Jonathan D. Garrett, James J. Boyce, Sr., Mary Lou Spiggle, Timothy W. Garrett, and Claudia G. Puckette.

Member absent: Steven T. Conner.

Others present: Carlton Duck, Alive Media TV; Nathan Simpson, Information Technology Technician; Nick Walton, Dana Glover, Accounting Specialist; Michelle Payne, Times Virginian; Bif Johnson, Hurt & Proffitt, Inc.; Charles Clusman, Rachel Mahoney, News & Advance; Kim Ray, Town Treasurer; Gary Shanaberger, Town Manager.

Mayor Harvey called the meeting to order and welcomed the visitors.

Rev. Carlton Duck led the prayer and Pledge of Allegiance to the Flag of the United States of America.

Public Hearing:

Mayor Harvey opened the public hearing.

Mayor Harvey stated the purpose of the hearing:

The Town of Appomattox will hold a public hearing Tuesday, January 22, 2019 at 7:30 p.m. at the Appomattox Municipal Building, 210 Linden Street, Appomattox, Virginia.

The purpose of the public hearing is to hear public comments for proposed changes to the Water and Sewer Policy User Charges (including Water and Sewer Rates), Connection and Availability Fees Administrative Policy with an effective date of July 1, 2019.

a) Proposed Multiple Tier Water Rates:

Apartments/Residential Units; Government and School Units	0 – 2000 gallons	Charge per 1000 gallons over 2000	Percent Increase
July 1, 2019	\$11.00	\$6.00	7.59%
July 1, 2020	\$11.30	\$6.20	3.00%
July 1, 2021	\$11.60	\$6.40	3.00%
July 1, 2022	\$11.90	\$6.60	3.00%

Businesses/Commercial Units	0 – 2000 gallons	Charge per 1000 gallons over 2000	Percent Increase
July 1, 2019	\$11.50	\$6.25	12.34%
July 1, 2020	\$11.80	\$6.40	3.00%

July 1, 2021	\$12.20	\$6.60	3.00%
July 1, 2022	\$12.60	\$6.80	3.00%

b) Proposed Multiple Tier Sewer Rates:

Apartments/Residential Units; Government and School Units	0 – 2000 gallons	Charge per 1000 gallons over 2000	Percent Increase
July 1, 2019	\$30.60	\$17.25	4.36%
July 1, 2020	\$31.50	\$17.80	3.00%
July 1, 2021	\$32.40	\$18.30	3.00%
July 1, 2022	\$33.40	\$18.80	3.00%

Businesses/Commercial Units	0 – 2000 gallons	Charge per 1000 gallons over 2000	Percent Increase
July 1, 2019	\$32.00	\$17.50	7.96%
July 1, 2020	\$33.00	\$18.00	3.00%
July 1, 2021	\$34.00	\$18.50	3.00%
July 1, 2022	\$35.00	\$19.10	3.00%

These rate changes are to be enacted pursuant to Section 15.2-2109 et. seq., with specific reference being made to Sections 15.2-2119 and 15.2-2122, of the Code of Virginia, 1950 as amended. Documentation, including the complete ordinance and other information concerning the documentation for the proposed fee are available at the Appomattox Town Office, 210 Linden Street, Appomattox, Virginia from 8:30 a.m. until 4:30 p.m., Monday through Friday. If you have any questions, please contact Kimberley W. Ray, Treasurer or Gary L. Shanaberger, Town Manager at 434-352-8268.

Staff Comments:

Mr. Shanaberger – The purpose behind this is an aging infrastructure. It is at the end of its life cycle. If we don't address these issues now, they are only going to get worse and more expensive. Now is the time to address these issues, unfortunately the only real way to address this is through this type of action. We've lost money the last 5 years when you combine our water and sewer operations together – one-year water may turn you a little bit of profit, but we lost money on the sewer system. The last five (5) years through combined operations, we have lost money. That's not a sustainable process. Another important part of all of this in terms of improving our infrastructure is to prove to USDA that we can afford to repay a loan. It is obviously our hope. We've been very successful the last three (3) years to bring in nearly \$5.4 million in grant money – if you divide that among the 1,800 town citizens, we have saved each individual nearly \$3,000. A family of four (4) – that's nearly \$12,000 we've saved that family through grant money. Obviously, that's what we want to do again. But in the process or possibility that we do not get grant money – we have to pay a loan or USDA loan. USDA wants to know that we can repay the loan. That's basically where we are at – we are in a situation where we have infrastructure that needs attention – serious attention. The water lines that need to be repairs and replaced 2" reduced down to ½" due to build up and sediment – the water is

still safe – there is nothing wrong with the water, but it affects fire protection. When the fire department goes to the hydrant then there isn't enough water pressure. These are all important issues and I think now is the time for the Town and the community take a good hard look at it and this staff will do whatever the Town and community recommends. I would like to see something done where we can keep the Town moving forward and taking care of some of these infrastructure problems.

Mayor Harvey – I know I am not staff, but I would like to point out we have not had a water increase since July 2012 and the last sewer increase was July 2015. So, it's been four (4) years on the sewer and seven (7) years on the water with no increase. It is kind of hard when your costs are going up every year to operate and you are keeping your income at a level point.

Mr. Shanaberger – I'd like to add – Bif Johnson with Hurt & Proffitt, Inc., is here tonight and he and his staff did an exhaustive study for the Town - if there are some questions about the study that was done. I feel like just about everything was taken into consideration. I did have several people, handful called me and I've met several people downtown they brought the subject up to me and I think once they understood – this is not something anybody wants but it is one of those things that has to be done. I think once people understood that we have failing sewer lines and water lines that are no longer carrying the flow of water as they should, people understood it.

Mr. Shanaberger – received one handwritten note –
“Our water and sewage bill is already as costly as we can handle”.

It is important that you hear this comment. I did not get a chance to talk with this person. This note was left in the drop box outside.

Mayor Harvey – Opened the floor for public comments.

Charles Clusman – owns and operates the Babcock House –
As an entity in Town that uses a lot of water and as a restaurant and a lodging/hospitality provider – we definitely use a good bit of water. This particular increase in our costs – what I'm looking at when I'm doing my small little calculations – you're increasing my average costs 18% over the next 3 years. I understand that there are issues that need to be taken care of and you add them on to an already very slim margin that I am able to make, it's a pretty good burden on myself and I know there are probably other people who have the opinion on the matter as I do. I just want to know – questions – can you quantify the amount of money the Town has lost over the last 5 years?

Mr. Shanaberger – I can – as a matter of fact – I'll be happy to share this with you and anybody else who would like a copy – I'll share it with you. The individual different departments – In year 2017, for the water department we lost \$110,000 and then if you come down, we made \$82,000 – but that's still a net loss.

Mr. Clusman – Yea, I can read a P&L sheet here – It is all nicely color coordinated. I know you said you were talking to a gentleman here that did the study from the Town? Do you have any recommendations in what the Town should do in this matter? What costs are for that?

Mr. Bif Johnson – Basically, the recommendations the Mayor read are our recommendations.

Mr. Clusman – Well that’s just increasing the price point so what is our...

Mayor Harvey interjected – under normal circumstances – you are not allowed to speak to others. You need to direct your comments to Council. If you want to speak with Mr. Johnson...

Mr. Clusman – I’ll just direct my questions to you (Mayor).

Mayor – We cannot have a conversation back and forth. We allow you to speak. If you want to come and meet with Mr. Shanaberger you can. The comments/questions between you and the audience is not appropriate.

Mr. Clusman – I understand that now. I apologize. I am trying to get some information because the recommendations are not put out there for public viewing. I’ll have to address them appropriately. I’m just trying to figure this out as it’s a big impact on my business as well as other businesses. I think that I would urge that the Town Council take that into consideration put more information out there to the residents of the Town, so we have all the information available to us. Before you make a vote – all I can ask is that before you put 17% or more on one utility cost on any business definitely one that’s running a pretty slim profit margin. I understand there are things that we need to take care of – I’m not saying we need to put it off – I’m just saying we need to take a real hard look at all the options. I hope you’ll be able to get those recommendations out for public viewing. Thank you very much.

Mayor Harvey closed the hearing as there was no one else to speak.

Scheduled Public Appearances:

None

Mayor’s Comments:

Mayor Harvey encouraged everyone to become more familiar with the waste transfer station proposed in the County of Appomattox. The revenue is ear marked to renovations to the school. As elected officials be aware. There is a public hearing scheduled for February at the Board of Supervisors session.

Consent Agenda:

On a motion by Mr. J. Garrett, seconded by Mr. T. Garrett, Council voted to adopt the consent agenda for January 22, 2019 as presented. All members present voting aye. Motion carried 5-0.

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Unfinished Business:

None

New Business:

On a motion by Mr. T. Garrett, seconded by Mr. J. Garrett, Council voted to adopt the 2019 Town Council meeting schedule as presented. All members present voting aye. Motion carried 5-0.

On a motion by Mr. T. Garrett, seconded by Mrs. Puckette, Council voted to purchase a dump truck with a cost not exceed \$95,335.00. All members present voting aye. Motion carried 5-0.

Standing Committee Reports:

The Physical Development Committee heard an updated on the Historic Structures Report from Dalgleish Gilpin Paxton Architects at the committee meeting tonight prior to the Regular Council meeting.

Citizen Comment Period:

None

Town Manager's Report:

Mr. Shanaberger reported on the following:

- At the January 29, 2019 Workshop meeting, the FY 2020 Town Budget timeline will be presented.
- There will be a compliance review of the CDBG Meadowlark Grant on Thursday, January 24, 2019.
- Will be attending the Rural Caucus Reception with Mr. Conner on January 30, 2019.
- The office renovations are complete.
- The ESRI Marketing reports with great information on Appomattox is available.
- The Downtown Revitalization Grant is moving forward. There will be a second public hearing in March 2019.

Council Concerns:

Ms. Spiggle recently learned of Tony Clifton's resignation from the Historic Appomattox Railroad Festival board. She wanted to extend a warm "thank you" to him for his service. Mayor Harvey concurred.

Mr. Boyce spoke to the water rate increase. Encouraging others to look for offsets – taxes, cost them an extra dollar on fixed incomes. It is incumbent upon each elected official to look at ways other than this to offset their increase.

On a motion by Mr. J. Garrett, seconded by Mrs. Puckette, Council voted to adjourn the meeting at 8:05 p.m. All members present voting aye. Motion carried 5-0.

Roxanne W. Casto, MMC
Clerk of Council

Paul D. Harvey, Mayor