

Minutes of the special-called meeting and the Public Hearing of the Saltville Town Council held on June 30, 2016 at 6:00 p.m. in the Town Hall

Council: Tom Holley, Sandra Wyatt, Eugene Call, David Smith, and Ron Orr
Randall Brickey was absent

Mayor:C. Todd Young

Staff: T. Michael Taylor, Town Manager
Trent Crewe, Town Attorney
Chris Wilcox, Police Chief
Steve Johnson, Clerk/Treasurer

New Business

1. Paving bids

Two different contractors, W-L Construction and the Rogers Group, turned in bids for paving both Ridgeview Road and Crusenberry Road at a depth of two compacted inches for each road. Their bids were as follows:

W-L Construction

Asphalt SM-19AL	Ridgeview Road	\$44,149.00
	Crusenberry Road	<u>\$37,842.00</u>
		\$81,991.00

Asphalt SM-12.5AL	Ridgeview Road	\$47,649.00
	Crusenberry Road	<u>\$40,842.00</u>
		\$88,491.00

Rogers Group

Asphalt SM-9.5AL	Ridgeview Road	\$82,850.00
	Crusenberry Road	<u>\$75,300.00</u>
		\$158,150.00

The Mayor stated that the town had around \$100,000 budgeted for paving in general, so there seems to be some money left over for more paving if W-L is chosen. Town Attorney Trent Crewe stated if more paving were to be done, the price could be negotiated with the current winning bidder. The Mayor then mentioned the Barbrow Trail needs resurfacing, so maybe that could be paved to which Mr. Crewe replied that could be negotiated as an addition to the contract. Councilman Orr commented that the Barbrow Trail had one spot in particular that needed replacing.

Councilman Smith made a motion to accept the W-L Construction bid of \$81,991.00 total for Ridgeview Road and Crusenberry Road and to negotiate with W-L Construction about the Barbrow Trail. Councilman Call seconded, and the motion carried 5-0.

Public Hearing

The Mayor opened the Public Hearing on the 2016-17 proposed budget and asked anyone in attendance if they had any comments. The only person at the Public Hearing other than current Councilmembers and town employees, Councilman-elect Steve Surber, offered his opinion on the following:

- 1) He was concerned that the \$50,000 was removed for specific drainage issues on Palmer Avenue. Ellie Branham has had her yard flooded out several times and Reynolds Frye has had bad runoff issues for over thirty years, and something definitely needs to be done about that. As much money as the town has spent in engineering fees over the years looking at Mr. Frye's problem, it could have been fixed by now.
- 2) The increase in the water and sewer rates will adversely affect some of the people in the town, though it may not seem like it is a lot for everyone here. There is a water and sewer situation now where some people on the south end would like to have the settlement that they could use to start paying on their bills. Letters were supposed to have been sent by the attorney, but it has not been mentioned in a while. The increases look even worse considering that water is just running down the road in places. He said if he has a vote on this budget, it will be no.
- 3) He thinks there are still places on this budget that could be cut. When he started campaigning in January, he said he heard people are very unhappy with Veolia. He had someone look at Veolia's current contract, and this person told him that they thought Veolia had violated the terms of the contract.

Town Manager Mike Taylor said that Clerk/Treasurer Steve Johnson had a copy of Chilhowie's current rates. Mr. Johnson said that Chilhowie had just raised their rates. After this increase, the proposed rate schedules for Saltville and the actual rate schedules for Chilhowie are as follows for 3000 gallons:

Saltville: \$20.00 for water and \$20.00 for sewer for in-town residents
Chilhowie: \$20.67 for water and \$20.67 for sewer for in-town residents

Saltville: \$31.25 for water and \$31.25 for sewer for out-town residents
Chilhowie: \$41.57 for water and \$49.92 for sewer for out-town residents

Mr. Taylor said that he gets calls often from people wanting to know why Saltville can't spend money like Chilhowie does since both towns are similar in size. Saltville takes in about \$60,000 in Food & Meals Tax per year, and Chilhowie is projected for this year to take in over \$573,000 in the same tax. If Saltville could do that, our money problem could be solved. Additionally, Chilhowie's budget is almost \$1.3 million more than Saltville's is, and Saltville is the bigger town. Councilman Smith mentioned that Chilhowie doesn't scrape their roads in the winter, so they aren't spending the money on road salt that Saltville does either.

Councilwoman Wyatt asked where the town stood on the drainage problem for Mr. Frye. Mr. Johnson said that an extra \$25,000 was added to the maintenance category of the Streets & Roads budget to help with the drainage issue. She then asked what the exact problem was there, and was told that the house is lower than the road and there is nowhere for the water to go. Mr. Taylor said that the Lane Group and VDOT both looked at this area and came back with different estimates. The Mayor said that VDOT's estimate was around \$300,000. Councilman Orr said that figure included buying a couple of the houses there. Mr. Taylor said that Mr. Frye had had a devil of a time and agreed with Mr. Surber. However, neither VDOT nor the engineers from the Lane Group could reach an easy solution to fix it.

Mr. Surber stated that he thought there was a law that said the town would be responsible for water going on someone's property. Mr. Frye had to build a porch on the side of this house to be able to sit outside without water splashing on him and going under his foundation. There should be a way to just have the water run into the creek. The Mayor replied that if a bunch of water were to run into the creek, then the EPA would be all over the town. Mr. Surber replied that at his house on East Main Street, his back yard gets a pretty big runoff from the water on Preston Lane. It washes out the driveway and goes under the house. He thanked R. B. Henderson and his crew for trying to clean out the drain there, and that helped for a while. He repeated he thought that the town was liable for any water runoff that occurs. The mayor said he preferred to listen to what VDOT recommended rather the town's engineers. When Mr. Surber is sitting at this bench, he can lead the charge to come up with the \$300,000 that VDOT mentioned.

Councilwoman Wyatt asked Mr. Crewe about the Veolia contract. He said that nothing was in it of any help that he recalled, but he did not have the contract in front of him. Councilman Call asked the length of time that Veolia had to fix a problem after it was reported. Mr. Crewe seemed to recall that the contract said that he remembered it being sixty days but was not sure. The district administrator had mentioned in a meeting that he was told by Veolia that any problem would be fixed in seven working days. The Mayor then mentioned that the buyout was \$600,000. Councilwoman Wyatt then stated that the whole town's system was in bad shape since, when one problem is fixed, another takes its place.

Mr. Taylor agreed with Councilwoman Wyatt and mentioned the meeting with Congressman Griffith, Delegate Campbell, and State Senator Chapin. The water and sewer were discussed extensively. DEQ has been very patient with the town in terms of the sewer problem on McKee Street. Councilwoman Wyatt said that more people should know that fact. They think that the Council is just sitting on their hands doing nothing. DEQ could have fined the town over \$100,000 per day but has not done as such, though a couple of towns in the state have experienced this. A few years ago the town had been told it would receive a few million dollars of that stimulus money for water and sewer improvements, but that fell through when the money went elsewhere due to political maneuvering. Not a week goes by that portions of a pipe somewhere in town collapse due to their age. Councilwoman Wyatt, acknowledging what Mr. Surber said about the rates, said she was not happy that the bills would increase since she had a business and two residential accounts to pay, but the system is failing and the increase is needed.

If you go to Rural Development to get a grant, the town's rates would have to almost double to qualify for just grant funds. This is RD's requirement, not the town's requirement. They use a formula based on the Low to Moderate Income Index (LMI) and census data. Apparently, they have Saltville's median income higher than it really is. Not many people in town could afford for their rates to double.

Mr. Johnson said that between fifty-five percent and sixty-five percent of the in-town residents pay the minimum bill each month. Currently, that amount is \$55.21, and if the budget is approved, that amount will go to \$57.00, which is 3.2 percent increase each month in the overall bill. This equates to a total of \$21.58 more for the entire year. Councilman Holley lamented the fact that millions of dollars of stimulus money were lost a few years ago due to the fact that politics got in the way. The town would not be going through what it currently is if the money had stayed. The water and sewer system would be mostly fixed.

Mr. Johnson said there has to be a seven day wait after the Public Hearing before the budget could be voted upon. It was agreed upon that on July 7th at 5:00 p.m., the vote would take place.

Councilman Holley then made a motion to adjourn, and Councilman Smith seconded. All were in favor.

