# Town of Hurt, Virginia Called Council Meeting Minutes September 20, 2022

Hurt Town Council held a called meeting on Tuesday, September 20th, 2022, at Town Hall. The meeting opened at 6:01 PM by Mayor Gary Hodnett with a quorum present.

#### Roll Call

Members present: Mr. Luke Perdieu, Mr. Gary Poindexter, Mrs. Shirley Barksdale-Hill, Mr. Bob Majure, Mr. Donney Johnson, and Mrs. Kathy Keesee

## **Invocation and Pledge of Allegiance**

Invocation: Mr. Perdieu

Pledge of Allegiance: Led by Mayor Hodnett

## **Opening Remarks**

Mayor Hodnett stated that no one is here; we will move on. No additions to the agenda. Luke has the information for Municode, so we can take that up while we are here as well.

#### **Public Comment Period**

No public input was presented.

#### **New Business**

Water & Sewer Hookup/Recovery Fees: Mr. Poindexter stated: the new listing of hookup and recovery fees – I've reviewed those with the Mayor and Joe a couple days ago. I had a few questions myself for a fuller understanding of what we're proposing to do. What we're looking at here is a way to reduce the losses that we experience in the form of depreciation. To capitalize and be in a better position, not only for our auditors and financial statements, but any potential loans that may need to be looked at. In the future for capital projects, they take a look at that. The easy way to read this is simply to start at the left with meter size, and most residentials are 5/8-inch. If you're doing new construction, building a house for example, you would be looking at \$2,200 in connection fees and \$2,306 in capital recovery, and then the combined effect of that will be \$4,506. The wastewater connections will not apply unless you're in one of the few areas that have town sewerage, so most people will not be affected by amounts listed under sewer until it's expanded. The quarterly base charge is listed here, but of course that's already in place. As you increase the meter size, the fees increase proportionately, relative to the baseline, to ensure that we are covering the costs (real and hypothetical) to be a better situation. A fair amount of work has gone into developing this and thanks to Tom Fore, Joe, Mayor, and anyone else involved in the process. I was not actively involved in the process of developing this particular sheet. I can tell it took some time, so I appreciate the efforts. It's one of the many things that I wish would have gotten done earlier, but that's water under the bridge. It is something that I feel needs to be in place going forward. We need to continually better our position financially in all areas, not the least of which is our enterprise fund. We all know that water and wastewater are critical infrastructures not only to residential citizens, but also the prospective corporate citizens. Prospects will look at our position and they will look at what

efforts are being made to improve our position going forward to gauge our level of interest. That being said, I'm just one person out of six. Off the top, I think that this is a good starting place for the changes that we need to make. I'm prepared to support this proposal as it is. Mayor Hodnett asked any other comments, questions? Mr. Perdieu asked, is this similar to what other towns have, rate wise? Mayor Hodnett stated, we would be competitive. Mr. Majure asked, and this still includes the 15% cost?

Mayor Hodnett replied, if it's an overrun, like if you're going down let's say Knollwood, the water line is on the right-hand side going in, if somebody builds on the left-hand side, the line's got to go under the road. That's where the additional fees come in of cost plus 15%, so they would be paying additional fees. Mr. Poindexter stated, that's an important point that I forgot to mention earlier, but what we have here is in addition to – not instead of – what is already listed in the Master List of Rates and Fees, and in fact, if and when we adopt this proposal, we would need to update the Master List to reflect that. Mr. Majure stated very good, and asked, does our current wording say that this money is going into a fund for those capital improvements? Mayor Hodnett replied that's where it will go. We already have the LGIP infrastructure account; the capital recovery fees will go into that 100%. Mr. Poindexter stated, to clear that up with a little history... for a long time we had three accounts with reserve funds, one was for general, one was called water, and one was for the Police Department. A year or two ago, the water one was split. There's now a general one for water and a designated one for capital improve ments. That's where the quarterly base charge goes if I'm correct. Mayor Hodnett replied, 100% of the quarterly base charge for each house goes into the infrastructure, which is capital improvement fund. Mr. Poindexter stated, so what you're proposing is for this to go in to continue to build that? Mayor Hodnett replied absolutely yes, in two years we got it to \$200,000. Mr. Majure stated that's very good, so this will help that as well. Is there any plan or wording about updating these in the future, a yearly update, five-year, 10 years? Mayor Hodnett stated I would say that would have to be examined when budget is done, because if we're going to make any changes to it, it's going to have to correspond with the budget. Mr. Poindexter stated that's my thoughts on it, because every Spring when we go through the budget development process, we typically look at our rates and fees that may have a question about them. That would be the main time to look at it. Should special circumstances arise subsequent to that, we can take it up at the time. Mr. Majure stated, so we are not locked in this for 10 years? Mayor Hodnett replied no. Mr. Majure stated very good, I'm in favor for this as well. Mayor Hodnett asked, if no more questions do I hear a motion? Attorney Eller stated we have to have a public hearing on that. A called meeting will take place October 13th for a public hearing. A motion was made to advertise and have a called meeting with public hearing on October 13th.

Motion: Mr. Poindexter Second: Mr. Perdieu Passage: Unanimous

## Industrial Water & Sewer Rates

Mayor Hodnett stated, we have Staunton River Plastics moving in and we don't really have an industrial rate set for these guys, so we need to look at an industrial rate. Mr. Majure asked, is this just for water, or is it for sewer? Mayor Hodnett stated, well we've got to look at water. We have an industrial rate for sewer, but my advice would be, even though we just passed it, we consider taking that higher. What we are going to be looking at for Staunton River Plastics is that they are going to be paying on a quarterly basis – instead of the \$24 meter fee, paying \$600. Mr. Majure stated, so we have decided to make it better for industrial. Mayor Hodnett stated most towns do give industrial discounts. Mr. Perdieu asked, do you think that will help us get more businesses? Mayor Hodnett stated industrials are always going

to look at where they can save. I would say you would be hard pressed to draw an industry in here at \$14 per 1,000. Mr. Majure asked, how much lower do we want to go, or do we not want to go lower? Mayor Hodnett stated, my suggestion would be to look at \$10. Mr. Majure asked, why is that? Mayor Hodnett replied, because if you shop around and look at what they're paying in other locations, it's going to be, most of them are going to be less than 10, but I don't want to step south of 10 in my opinion. Mr. Majure stated, and this is something we can change in another budget year, but we need to do before they get onto the 14. They're already locked into the 14 though right now, technically? Mayor Hodnett stated, I think if you read our rates and fees, it says in there that it's kind of negotiable with the industry. Mr. Poindexter stated, it typically tends to be because utility rates and tax rebates and various perks like that typically are part of an incentive package; that's part of how the economic development process works. It's what are you going to charge for everything, for what period of time you are going to do that as an encouragement for that industry to locate here. Mayor Hodnett stated, we have a rate for wastewater; we don't have industrial water. Mr. Perdieu asked, and the industrial water is lower than the residential? Mayor Hodnett replied, no it's the same. Mr. Poindexter asked, let me clarify, are we needing both – for industrial water and wastewater? Mayor Hodnett stated, I think we have an opportunity to probably move wastewater up a little bit, but we also are going to probably need to move water down some. Mr. Poindexter stated, I've got a suspicion that we do. Especially since there are some industries out there that are higher in water usage than others. We lost a good prospect at some point in the past over power rates, so the same thing can happen with any utility. Mayor Hodnett stated, it should be that whatever we do is going to always have the caveat of subject to negotiations, because if we're going to bring in, let's say, a half million gallon a day water user, they're going to expect a little bit better rate than 100,000 gallons a day water use and they're going to negotiate, and negotiate hard. Mr. Perdieu asked, what do we pay for water per 1,000? Mayor Hodnett stated we can look at it. Mr. Perdieu stated, if we have a heavy water industry come in, they are going to try and get their own rate anyway. Mayor Hodnett stated we want heavy water users. We've got two products, water and taxes, we have to make money where we can make it. Tom Fore stated, just a reminder to everybody, because I have a lot of knowledge of what's happening in Altavista, you have about a 200,000-capacity agreement, and you're at about 100,000 usage. If you have one customer that wants to come in here and get 100,000 gallons a day, you are going to have to renegotiate your arrangement with the town, unless you've got another water provider. Just something to keep in mind, but again, you're exactly right, the conversation you're having about being able to pick up that service and improve your system and industries - that's the way that is accomplished. Mrs. Barksdale-Hill stated, I'm thinking that if you're aiming for the heavy water users, they're probably going to be the strictest negotiators because they know that that's going to be a big expense. But it's a good site to have. I can imagine it being quite a bit of back-and-forth, because they are going to try their best to get more. As far as setting rates, when I was going to check on penalties for not paying your water bill, I called several towns and we talked about a lot of stuff and they were saying that some of them do lower for industries, and Altavista was one of them – to draw more business, so it was right on target to handle it that way. Tom Fore stated, but whatever we negotiate to get to that number, the other way of helping is you've got to be fair about it. In Altavista, fairness is done; it makes no difference what type of industry you are, this is what you pay. We don't negotiate with any industry coming in about that. Also, if the Council decides they want

to waive the fee, they basically use general fund money to cover that cost for their enterprise fund, but it still has to be paid for because enterprise is separate. You can use tax money to create the incentive. Those are things to keep in mind; another thing that you could do is encourage more water, but you could create a tiered water usage. In other words, if we use 5,000 gallons a day, we will do this, if we use 10,000 gallons a day, we will do that; you create that tier as an incentive and then you keep lowering your rate for each one of them. Mr. Perdieu asked, so Altavista – their business and residential system 2022 Master List of Rates and Fees, their business residential cost is \$3.02 per 1,000 and their industrial is \$2.96 per 1,000 gallons, the Town of Hurt is \$4.53 per 1,000, any residential outside of the town is \$6.04 per 1,000, and industrial outside of the town is \$5.90 per 1,000. We are close to triple if not more than Altavista. If we were competing with Altavista based on just this, they are going to win all day long. We are paying more than the industrial over there anyway. Mrs. Barksdale-Hill stated, I can imagine a business would study this before they make the decision, or even though it may be negotiable, they're going to also look at where you are starting. Tom stated, that's why I brought up the tiered rates. Mr. Perdieu stated, and we may need to do that, do a tiered rate, if you have somebody who is going to use a whole bunch, \$8 and somebody who is going to use a lot maybe \$10. Mr. Majure stated one thing that I keep thinking about is that, and I have looked at the system with Joe. If we get a customer here that needs to use more than 200,000, would our system be able to handle that, and would we have a way to pay for the upgrades to that system? Tom replied, getting ready to do this secondary project, which is 12-inch lines under the railroad track, so that is going to improve your ability to build more over there; without that you're limited.

Mayor Hodnett stated, "I think it is a reasonable rate for an industry coming in. Most of them are going to try to be below that. This one is not a heavy water user, but we have to have a little room for everyone. Mr. Majure stated, it sounds like we're all in favor of lowering the rate for an industrial user. Is that correct? No one wants to keep it the same. Mr. Poindexter stated, I don't think we can keep it at \$14; sitting here thinking how we can do something structured with a range, say \$10-\$12, with language that they are subject to negotiation based on volume and all the factors. Mayor Hodnett stated, I would say why would you want to complicate it? Mr. Majure stated, I agree there and we don't know what specific industries are going to require at this point. I think that's probably why Altavista didn't apply because it does keep it fair sounding as well. Like we said, we can always change this in a different budget meeting later on, but we don't want to be changing that consistently. Do we have any estimates on what Staunton River Plastics is going to be using? Mayor Hodnett stated, it's going to be pretty much what they are using over there in Altavista, like a heavy residential user. Mr. Poindexter stated, their type of manufacturing doesn't use much water; they just need water for general purposes such as cleaning, drinking, restrooms, etc. Mr. Perdieu stated, I think if we just set it lower, say \$10, and if somebody wants to come in and negotiate, we can always add a tiered schedule. If they are saying they are going to use a whole bunch of water, we can't just give it to them, we can say we will give it to you at a later date. Mr. Majure stated, as long as we are covering the cost. Do you all feel comfortable with the \$10? Mr. Poindexter stated, one thing I'm thinking about is if you start out at the \$10 and you figure that as being a good floor, there's no more negotiating below that without knowing. Mayor Hodnett stated, do you honestly think that we are going to be able to bring somebody in at \$11 or \$12 per 1,000? It will be impossible. Mr. Majure stated, we're doing it as goodwill to make us beneficial to businesses and industry coming in here, saying that we're not trying to profit off just the water for the industries.

Mr. Poindexter stated, it doesn't sound like we have many options but to just go with \$10 then. Mr. Majure asked, before I make a motion do we have to advertise this? Attorney Eller stated yes, you just need to state the rate that you're proposing and then it will be presented at the public hearing on October 13th. A motion was made to propose an industrial water usage rate of \$10 per 1,000 gallons that will be presented at the public hearing on October 13th.

Motion: Mr. Majure Second: Mrs. Barksdale-Hill Passage: Unanimous

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Mr. Perdieu gave out a packet that is from Civic Plus. If you want to look at it later, I gave everybody their own copy just so you have it. A couple things to think about... they are usually at 12 to 18 months lead time; they may be even longer on this to get everything completely functioning on there. They may have something available – the simpler stuff – it may go live half way through the process, depending on how it works with them. I'll explain to you the pricing and the payment schedule and if you have any questions, I'll do my best to answer them. Your one-time charges are your overall recodification and that's based off of what John has sent them. It's about 350 pages; they're looking at doing a 10-point font online, so overall, that'll be the total scope of the project. They highly recommend us paying them to do gender neutralization which turns all the he's and she's into however they can make it completely gender-neutral. It's easier for them to do it while they're going through everything. Anyway, it's only a \$350 one-time fee. If we decide we want them to do that later, it's much more expensive. That's up to the council to decide whether or not they want to be gender-neutral. If we do the gender neutralization, and they go ahead and make all of our current code gender-neutral, then everything we generate from here on out, needs to pretty much mimic their gender-neutral so that we don't have to keep paying them to go back and re-do. Mrs. Barksdale-Hill stated, so when we have Kelsie update it, she is going to stick with it. Mayor Hodnett responded she's not going to be updating it. We are doing the package in which they take care of it. Can you give me some examples of gender-neutral? Mr. Perdieu stated most of our code is all male gender oriented – he, they, I don't know, I guess to be completely politically correct, they offer this as a package. Mayor Hodnett stated, so it's going to be like he/she? Mr. Perdieu stated yeah, he/she. Attorney Eller stated, you don't want to take it too far. Mayor Hodnett stated 'they' becomes everyone involved. Mr. Perdieu stated, I don't know how they do it; but they just highly recommend we do this upfront if we're going to do it. Mayor Hodnett asked Attorney Eller if he can write gender-neutral? Attorney Eller stated yeah, we'll find out; I'll call that lady what they are going to do. Mr. Perdieu stated it depends on if you guys think it's more of a politically correct type. She highly recommended it. I said I would suggest it to you guys. Attorney Eller stated, we have done he/she in the new ordinance for years. Mr. Perdieu stated, here is an example that you have on page 5; they say 'painted in a workman-like fashion.' The workman-like, they would change it to 'skill' or 'professional fashion.' It just takes the gender out of it. Mrs. Barksdale-Hill stated they are taking it out; that sounds good. Mr. Perdieu stated we don't have to decide at the moment, but we need to decide before we contact them. Mayor Hodnett stated, John, why don't you have a talk with them, and update us at the October meeting. Mr. Perdieu stated, also a custom banner is a one-time fee, to have our logo at the top of the page, so the total of these one-time fees would total to \$10,551. We would pay that based off this payment schedule – 25% when we sign, 25% when they submit. Half of it will go on this FY and half on the next one. Mrs. Barksdale-Hill stated she was planning to have ordinances ready by the November

meeting, but since the laptop was in use elsewhere, she has stopped working on them. Mr. Majure stated he will bring it back tomorrow.

## **Report from Mayor**

Mayor Hodnett stated I would like to change Joe's title from Public Works Coordinator to Public Works Director. I know there's going to be some questions in your minds such as well, he doesn't directly supervise other people. Yet, he needs people and the only reason he doesn't have them to supervise is that we can't afford them. I've highlighted what a Public Works Director does: oversees installation and maintenance of sidewalks, curbs, gutters, signage, and other infrastructure elements – he's already doing that. Ensures that all town facilities are properly maintained, and that repairs are conducted as needed – he's doing that; participating in community events, promoting public works projects, and informing citizens about various activities - he's taking care of that now. Developing budget figures in his dept. for fieldwork, including construction projects, material costs – he's doing that. He's involved in the budgeting for public works. He's overseeing the next part of it, managing a team of engineers, analysts, planners, inspectors, surveyors and other professionals who perform functions of planning, designing, building, maintaining, repair, and inspection of infrastructures - he does that; he oversees the engineers on projects he's working on, coordinating with other departments and local governments to ensure that projects are completed on time and within budget. I think he's pretty much handling that, overseeing the operation and maintenance of public works vehicles/equipment, including dump trucks, bulldozers and stuff like that. We don't have it, but he's taking care of pickup trucks. Creating plans for new infrastructure projects and updating existing projects to meet current standards and regulations. I don't see anything there that he's not already done, other than supervising people that he desperately needs, and we can't afford to pay. Mrs. Barksdale-Hill stated, well sometimes titles can sometimes open more doors for grants or funds. Mayor Hodnett stated, well Joe, welcome to the Public Works Director side of it – congratulations.

Mike Jones stated, when you get a chance, check your email. There's a recent occurre nce in Virginia, South Carolina, North Carolina, and as close as Farmville, a group of people known as First Amendment Auditors. What these people do, they will come into a Town Hall with a video camera and start following employees around. They are very pernicious and want to know what you're doing, how you're doing it, and they push the limit on where they can and can't go. When you look at the video, you'll see some of the issues and their entire purpose is to get you to yell at them and get you to tell them to leave from public spaces. They'll come and stand and look at the clerk's office, for example. It's getting to be a rather fast-moving problem. The closest one to us is Prince Edward County and that is tied in with a group called Sovereign Citizens. That's to be aware of when you're in Town Hall and somebody says they are doing a First Amendment Audit. You must treat them according to the law. If they want to come in and stand in the lobby all day, they can do it. We've got a policy on interference, but that's something that you need to be aware of and once you see the video, I think you'll know why. The other thing, making a comment on gender-neutral, part of the problem that's arising already, is with police and law enforcement forms where a gender has to be put to identify someone. There's also concerns on whether gender ID will be placed on driver's licenses and photo IDs, and one of the ones that's getting a lot of traction is that some groups do not want the police to broadcast gender descriptions of a suspect. 'A person robbed a bank' is about the only way they want to give a description, so police groups are watching that carefully. One thing that hasn't affected us yet, but it's happened in the last week -

throughout the entire country as close as E.C. Glass High School. EC Glass HS on Monday got a call from an out-of-state cell phone that stated there was machine gun inside the building and it was going to be used. The impact that will have on us, because the term is called 'swatting', where you call in these fake events. We've got two schools, and it can very easily happen to them. We are well ahead of the power curve on school security but it's one of those things in both county and state police; we are anticipating this. For those of you who have children in school, and they have cell phones, I would suggest you get a text-based emergency contact message because in the event of a major emergency where there is a lot of police activity, you might not be able to get through on the cellular line. You might want to establish a plan that says in an emergency text each other because text slides go off a totally different system. Just wanted to keep you up to date on that. If a citizen or vendor texts or emails you on your personal or work phone and you talk about business, then not only your conversation, but anything that the vendor sends to you could also be subject to FOIA. If you're comfortable in doing so, you might want to advise folks that any official conversation or email is subject to FOIA. Another one is we have classes that I've sent to you. I've sent you another reminder of that. Also does everybody have that Council ID card and staff ID card? We want to do a periodic audit so if you don't have one, just make arrangements with Ellen to get one. Any questions for me? It's been a very busy time. Mrs. Barksdale-Hill stated that she received a letter from the Virginia Senior Citizen League and it seemed like a threat to her. Please note the actual survey answer will not be publicized unless your statement or actions contradict your survey answer. That's okay. Shortly after the survey due date assessment of how well you answer the survey will be. If you choose not to return the survey, you will not be considered for an endorsement by this organization. Your failure to return the survey may be interpreted by our member supporters and gun owners, Commonwealth as an indifference, if not outright hostility, toward the right to keep and bear arms. I found this pretty stupid. Mr. Perdieu stated, I looked into that, because I got mine the other day. It's a small group in central Virginia, and they rank political candidates on their scale of how pro-gun you are. Are you willing to stand up for Second Amendment rights. It is a relatively small group, but I looked at the past years that they have published their results from this survey. Nobody in the Town of Hurt or Altavista has responded. Mike Jones stated, just to give you an idea, this group was headed by Philip Van Cleave; I've been dealing with him for over 15 years with his group, mainly at the Capitol. They're very active. They do know the law, and they do stay within it, but they can dance up to the edge of the pen. They have not been violent at the time that I've known of, but they are exerting First Amendment and Second Amendment rights. Just make sure you pay close attention to your personal mailbox. Don't leave your car unlocked. It's a different world and you're seeing it and things happen in small towns that never would have happened before. People will turn on each other. All I can say is it's good for business. Mayor Hodnett stated so moving forward John, you are going to talk to Municode for our next meeting.

Meeting adjourned at 7:12 PM

Kelsie Sligh
Kelsie Sligh. Clerk

Gary Hodnett
Bary Hodnett, Mayor