

The Town of Washington

"THE FIRST WASHINGTON OF ALL"

March 8, 2021

Council Meeting

APPROVED Agenda

7:00 p.m.

- CALL TO ORDER Action
- APPROVAL OF THE AGENDA Action
- MINUTES February 8, 2021 Council meeting minutes Action
February 27, 2021 Budget work session
- REPORTS Mayor's Report: Mayor Catlin Information
Treasury Report: Ms. Swift
Planning Commission
Architectural Review Board
- TOWN ATTORNEY Mr. Bennett Information
- OLD BUSINESS
 - a) COVID water testing Information
 - b) Horizontal boring at post office update Information
- NEW BUSINESS
 - a) Discussion of planning protocols Information/ possible action
 - b) Schedule budget work session Action
 - c) Approve public hearing for FEMA flood plan ordinance Action
 - d) Water and sewer rate review Possible action
- PUBLIC FORUM
- ADJOURNMENT

NEXT REGULARLY SCHEDULED MEETING OF THE TOWN COUNCIL
April 12, 2020

The Town of Washington

"THE FIRST WASHINGTON OF ALL"

March 8, 2021

7:00 p.m.

APPROVED Minutes

- CALL TO ORDER: Mayor Fred Catlin opened the meeting at 7:01 p.m. Council members Jean Goodine, Mary Ann Kuhn, Patrick O'Connell, Brad Schneider, Gail Swift and Joe Whited were present. Town Attorney John Bennett and Town Clerk Barbara Batson were present.
- APPROVAL OF THE AGENDA: Ms. Swift motioned the agenda be approved. Mr. Whited seconded and a roll call vote was taken:

Ms. Goodine voted "yes"
Mr. O'Connell voted "yes"
Ms. Swift voted "yes"
Mayor Catlin voted "yes"
And the motion passed 7-0.

Ms. Kuhn voted "yes"
Mr. Schneider voted "yes"
Mr. Whited voted "yes"

MINUTES: Ms. Kuhn motioned to accept the February 8 minutes and Ms. Swift seconded and a roll call vote was taken:

Ms. Goodine voted "yes"
Mr. O'Connell voted "yes"
Ms. Swift voted "yes"
Mayor Catlin voted "yes"
And the motion passed 7-0.

Ms. Kuhn voted "yes"
Mr. Schneider voted "yes"
Mr. Whited voted "yes"

Ms. Kuhn motioned to accept the February 27 minutes and Ms. Swift seconded and a roll call vote was taken:

Ms. Kuhn voted "yes"
Mr. Schneider voted "yes"
Mr. Whited voted "yes"
And the motion passed 6-0 with Ms. Goodine abstaining.

Mr. O'Connell voted "yes"
Ms. Swift voted "yes"
Mayor Catlin voted "yes"

REPORTS:

Mayor's Report: Mayor Catlin reported he is waiting for the contractor to restart at the USPS site to install the pad, tresses and the rest of the wood for the framing. He expressed his gratitude for people in the community who have donated to make enhancements to the post office design and to the people on the post office task force.

Treasurer's Report: Ms. Swift reported there was an error on the treasurer's report under income. Instead of \$63,000 the total should be \$33,000. Mr. O'Connell suggested the approval of the Treasurer's report be delayed until the next Town Council meeting. Ms. Swift agreed and asked for the bills to be paid be approved.

Mr. Whited made a motion to approve the bills to be paid and Ms. Kuhn seconded and a roll call vote was taken:

Ms. Goodine voted "yes"
Mr. O'Connell voted "yes"
Ms. Swift voted "yes"
Mayor Catlin voted "yes"
And the motion passed 7-0.

Ms. Kuhn voted "yes"
Mr. Schneider voted "yes"
Mr. Whited voted "yes"

Planning Commission Report: Chairwoman Caroline Anstey reported the Planning Commission (PC) met on March 1, 2021 and reviewed issues from 2020 and discussed programs for 2021.

The Planning Commission had the following suggestions:

- The Architectural Review Board update its guidelines and hire a consultant to assist with the project;
- Mayor Catlin send a letter to owners of dilapidated buildings;
- The Town receive an update on the Black Kettle project;
- The Town have a line item in the budget to invest in the beautification of the Town.

The PC is interested in the idea of turning the Town into a Wi-Fi hotspot and will be reaching out to the public library and the County for ideas. They like the idea of the juxtaposition of the old historic town and new state of the art technology around Town.

Architectural Review Board Report: Drew Mitchell reported there was not a meeting in February and they are meeting on March 10 to consider four applications.

Town Attorney: Mr. Bennett had no report.

- OLD BUSINESS:

- (a) COVID water testing: Mr. Schneider previously reported other counties across the country have been doing water testing to identify COVID outbreaks through their wastewater system. He spoke with Garrey Curry, Rappahannock County Administrator, to see if the County had an interest in this type of testing. Mr. Curry questioned the value of the information since there is a transient population in Town because of the lodging establishments. The Town Council decided not to pursue the testing.

- (b) Horizontal boring at post office update: Mr. Schneider reported in order to install the sewer line at the post office the town has to extend the sewer piping along Warren Avenue. Unfortunately, there is a tree in the way for this extension and there is not enough space between the tree and the pavement to put in a trench. The alternative is to bore horizontally under the tree. He spoke with ten different contractors from Maryland to south of Richmond and found only one who was willing to take on the work because it's a small project. Mr. Schneider has forwarded the quote to the Mayor for consideration. The plan is to run the sewer line up Warren Avenue and install a 3-inch line that will go to the back of the post office where the grinder pot will sit.

He also reported the water line on the original plans looks to run along the edge of the asphalt. If the asphalt is disturbed to install the new water line, the Virginia Department of Transportation (VDOT) will need to be involved. The easier solution is to bore horizontally under Leggett Lane and tie into the line running up to the wastewater treatment plant. Atrium Construction will install the sewer line along Warren Avenue and Country Water will tap into the water line on Leggett Lane and install the meter at the Post Office. Mayor Catlin thanked Mr. Schneider for his work on this project.

- NEW BUSINESS:

- (a) Discussion of planning protocols: Mayor Catlin shared he has been involved with eight or nine building projects. In his experience the municipality gathers all its agencies that will be involved in the approval process and has a meeting with the applicant. The purpose is to ensure there is an understanding of the process and identify obstacles the builder may not be aware of. This might help the builder not encounter challenges that could delay construction possibly weeks or months. He is proposing once the application is submitted either the Town Clerk or Zoning Administrator determine if this type of meeting is needed. If a meeting is suggested the Zoning Administrator and a representative of the ARB would attend and the Town Clerk would reach out to County officials to see if they would be willing to attend. He feels this would benefit the Town and community and possibly prevent last minute scurrying that may possibly cause a delay in the project. If the Town Council is interested in pursuing this idea he suggests the Zoning Administrator and Town Clerk work to create a proposal for the Town Council to consider at the April TC meeting.

Ms. Swift feels it's a good idea because it would alleviate the back-and-forth that goes on among the involved parties.

Caroline Anstey asked if this meeting would preclude the applications being considered by the responsible committees for approval, such as the ARB. She is concerned this would undercut the formal committees. John Bennett said legal issues would need to be considered. For example, once comments are given to an applicant, they have 45 days to respond. He said clear documentation would need to be in place for this type of meeting.

Ms. Swift thinks the purpose of this type of meeting is to educate the applicant about the process they will need to go through for steps like the ARB and zoning. Mayor Catlin said it would help alleviate some confusion because some steps fall under the County's responsibility along with those that are the Town's.

Jeanne Kauffmann asked if the Town would be liable for any answers given at this type of meeting. Mr. Bennett replied that is a concern, especially if you provide comments because once you give comments you cannot offer additional comments once the applicant responds. He said you have to be clear and document this is an informal process that will be conducted at the applicant's request and does not constitute any action that would occur during the course of the normal meetings of the committees. He thinks this meeting would be helpful to the applicant to realize if they have all the things that would be required for their project.

Keir Whitson (member of the Rappahannock County Board of Supervisors) said the County has a similar process. Mr. Whited asked Mr. Whitson if the applicants at the County meeting have a clear understanding the meeting is for advisory purposes only. Mr. Whitson responded that was the understanding. Ms. Kauffmann asked if this type of County meeting was held privately. Mr. Whitson said it was a public meeting but not a public hearing. Ms. Kauffmann said if it were a public meeting then notice would need to be given. Mr. Schneider commented we should have a documented protocol that could be provided to the applicant. It would document the process that would occur in the Town and list all the other parties that may or may not be involved. For example, if you are going to dig up the street to install a water tap then VDOT will be involved. He feels a formal process needs to be documented in order to avoid applicants being surprised by procedural requirements and/or fees. Ms. Anstey thinks that documenting the process would be good but she is more concerned about the special meeting. She's worried that a committee representative would assent to something without speaking with their colleagues. Mr. Bennett thinks written protocols that are as detailed as possible will get everyone started on the right trajectory. He feels as much as you try to be exhaustive with written documentation there are sometimes circumstances where a special meeting would be helpful.

Mayor Catlin said he would begin to work with Mr. Bennett on this idea.

- (b) Schedule budget work session: Ms. Swift said she would like to schedule the next budget work session on March 20, at 10:00 a.m. Her goal is to have the draft budget finalized where it can be reviewed at the April TC meeting and have a public hearing at the May TC meeting.

Ms. Swift motioned to schedule an electronically held budget work session via Zoom on March 20 at 10:00 a.m. and Mr. Whited seconded and a roll call vote was taken:

Ms. Goodine voted "yes"
Mr. O'Connell voted "yes"
Ms. Swift voted "yes"
Mayor Catlin voted "yes"

Ms. Kuhn voted "yes"
Mr. Schneider voted "yes"
Mr. Whited voted "yes"

And the motion passed 7-0.

- (c) Approve a public hearing for Federal Emergency Management Agency (FEMA) floodplain ordinance: Mr. Bennett said he was sent a model ordinance from FEMA which was included in the TC packets. Since the Town is not in a floodplain, he asked FEMA what would happen if the Town did not update its ordinance. He was informed it would affect residents' ability to get

financing and insurance for mortgages. He feels it would be in the Town's best interest to adopt the ordinance even though the Town is not in a floodplain.

Mayor Catlin made a motion to approve holding a public hearing at the April TC meeting to consider the floodplain ordinance and Ms. Goodine seconded and a roll call vote was taken:

Ms. Goodine voted "yes"
Mr. O'Connell voted "yes"
Ms. Swift voted "yes"
Mayor Catlin voted "yes"
And the motion passed 7-0.

Ms. Kuhn voted "yes"
Mr. Schneider voted "yes"
Mr. Whited voted "yes"

(d) Water and sewer rate review: Ms. Swift shared the water and sewer rates have not been reviewed in the last five years. After reviewing the budget last year, the TC was considering a rate increase but then the pandemic hit and the item was tabled. She reported that current finances require the Town to do a rate increase. She has been working with Mr. Whited to review the numbers and with Mr. Schneider to identify future needs and challenges for the water and wastewater systems. She asked Mr. Whited to discuss the need for the rate increase. Mr. Whited shared the Town runs at a \$60,000 to \$80,000 structural deficit. The Town has been able to cover that with some windfalls throughout the years. With the loss of revenue this past year the Town's reserve fund is in rough shape. The Town also has some large capital bills that are coming due on the water and wastewater systems. Due to these factors, he said we are likely to propose a 25% increase in two steps, a 12.5% increase in June and a 12.5% increase in September. It would be an increase of \$15.87 for those that pay the minimum monthly charge for their water and sewer bill combined. This step would allow the Town to cover the lower portion of the deficit; it would create around \$50,000 to \$60,000 in revenue. The rates could be reviewed in the future if the Town is able to reduce its balance sheet. Ms. Swift reminded the TC the sewer loan payments of \$88,000 for May and November of 2020 were deferred and added to the remainder of the payments to be made. Starting in May of 2021 the monthly payments will be \$99,000 due twice a year. Mr. Whited reminded the TC there are also three additional bonds for the water system.

Mr. Schneider shared from a maintenance standpoint the Town has not done a good job of taking care of its infrastructure. It has repeatedly postponed maintenance into the future. The water system is working well but it has old pipes which is a concern. The biggest expense for the water system right now is old water meters that need to be replaced. Some are impossible to read and the Town is unable to get accurate numbers. He is working with Country Water to see if the register on the meters can be replaced and if not, questioned what the cost would be of replacing them. The meters last a long time but the system has been in place for many years. He shared the pumphouse is in pretty good shape; the tanks were checked a year ago because there was concern about their integrity due to rust. The tanks should be sandblasted and painted. In the past, house paint was used when industrial epoxies are really what's needed and that led to the rust. The fittings are old on the tanks and Country Water has to be careful when they are doing repairs. The Department of Environmental Quality (DEQ) has indicated the Town needs to have a second well in case the current one goes dry or becomes less adequate. This will

require some engineering to find a location, perform some tests and then ultimately submit the plan back to the State.

Mr. Schneider reported the wastewater system works well and that it produces high-quality effluent and DEQ is always impressed with its numbers. He said the town has never had a violation as a result of its routine operations. There have been a couple of times the system has gone offline and released some material. ESS did testing and the results were reported to the State and the Town was not fined. There are two components of the force main system, it includes grinder pots and the lines buried under the streets. The lines are fine with no issues but there are issues with the grinder pots. The pumps in the grinder pots are unique pumps that grind the sewer material so it can flow through the pipes. The current pumps are made by a manufacturer that held a patent on them so it limited the Town's ability to replace or repair them. That patent has expired and Mr. Schneider is looking for an alternate pump to save the Town money. He is also looking to pull the pumps from residents' grinder pots that are not connected to the sewer system. He is disappointed in the design of the treatment plant because there are design elements that do not apply to the Town's needs. The Town runs on average \$2,400 a month for electricity at the plant. A lot of the motors run on full laps when they aren't on full load. He is working with a contractor in California on the possibility of putting in a Variable Frequency Drive (VFD) that controls the motor according to the load. If the load is light it runs on very low power consumption and if the load is heavy it goes to full power. The contractor thinks the VFD could save 30% to 40% on energy costs. The contractor thinks the Town could recoup the cost of the drive in six to eight months with the energy consumption savings.

Mr. Schneider shared the Town currently pays \$900 per load to have sludge removed from the WWTP. ESS will be using an additive in warmer months to help reduce the volume of sludge that needs to be removed. He would like to have a small committee formed once the current budget cycle is complete to come up with a list of all the repairs and maintenance the system needs and have ESS help the Town to prioritize the list and try to determine the costs. He is hoping there may be grant money available to help with the water and sewer system. He is also hopeful the water system can be run using solar energy. He reported the water tower is in good shape but there needs to be a better way to see the water level.

Mayor Catlin asked whether these were things that have needed to be addressed in the past but weren't and the Town is now trying to fix it so the Town can have the best system possible. Mr. Schneider responded yes. He also reported the Town has been doing an excellent job protecting the environment.

Regarding the 25% increase in water and sewer rates, Ms. Swift suggested that she work with Mr. Whited and Ms. Batson to further clarify the numbers to justify what the increase should be precisely. Ms. Kuhn asked Mr. Whited if he could give a breakdown of how he arrived at the 25% increase in the water and sewer rates. She mentioned he said the increases would be in July and September. He said he meant July and January. Ms. Kuhn also asked if there is the possibility of another increase in the near future. Mr. Whited replied he would like to review the numbers in a year to see how the finances are doing at that time. He hopes the deficit gap will be smaller by then. Ms. Kuhn asked if the rate increase needed to be done now. Both Ms. Swift and Mr. Whited replied it could not wait another year, it needed to be done now.

Mr. Whited also reported that barring any additional actions the Town's reserve fund would be just about bankrupted at the end of the year due to lost revenue. He said the Town has been filling holes in the budget with the reserve funds and there is currently at least \$50,000 in deferred maintenance needed on the sewer plant and there's no revenue to support it. Ms. Swift said the Town has to budget replacing five to ten pumps and water meters a year. Mr. Whited shared there are 138 meters in Town and only 20 have been replaced in the last 10 years. The lifespan of the meter is generally five to ten years, so potentially there are 118 meters that would need to be replaced. If you calculated that at ten meters per year that's \$50,000 per year. Barring any increase in revenue the Town will become insolvent soon. Mr. Whited said he would have the detailed numbers at the budget work session and would provide them to the TC in advance.

Mr. O'Connell asked how many meters was the system designed to accommodate. He understood the plan was every two or three years to accept more users. He suggested that's an alternative to solving the budget problem is to put more people on the system. Mr. Schneider said he believes everyone who needed to be on the sewer system is connected. Mr. Bennett said the 25% rate increase would not cover the future operation cost of the sewer system. He said that when you sell more services you are increasing your operation costs. Mr. O'Connell asked if it wasn't always part of the plan to sell more services. Mr. Bennett said Phase I of the sewer system was to service the Town core and then once the capacity was reviewed a Phase II plan would be created. Don Hearl did an analysis of the Town's needs and it was determined that the 60,000-gallon capacity would meet the Town's needs and allow the possibility, under various scenarios, to build up usage. Mayor Catlin asked what is our current usage and Mr. Bennett responded approximately 25,000 to 28,000 gallons. Mr. Whited said if the Black Kettle project comes to fruition that would help to offset the long-term capital issue. He cautioned that these types of windfalls have happened in the past that has helped the Town get by and no plan has been developed to increase the Town's revenue at various stages. He said the Town has been squeezing other budget line items to help save money, an example is this year the Town relied on volunteers and personal funds to decorate the Town. The Town is now able to accept online payments for utility bills and other fees which will help save a few thousand dollars a year but the Town needs tens of thousands of dollars to balance the budget.

Ms. Swift motioned to have a public hearing for the water and sewer rate increase at the April 12 TC meeting and Mr. Schneider seconded and a roll call vote was taken:

Ms. Goodine voted "yes"
Mr. O'Connell voted "yes"
Ms. Swift voted "yes"
Mayor Catlin voted "yes"

Ms. Kuhn voted "yes"
Mr. Schneider voted "yes"
Mr. Whited voted "yes"

And the motion passed 7-0.

PUBLIC FORUM: Mayor Catlin opened the public forum at 7:52 p.m.

Caroline Anstey asked that a clear understanding of what the 25% rate increase was covering be presented at the April TC meeting. She also stated that the Town's Comprehensive Plan makes a case for why the Town needs to boost its population. She feels if the Town's systems are

running under capacity, increasing the population would make financial sense. She said if the Black Kettle project were to go ahead with 12 to 17 houses that would make a difference. She asked Mr. Bennett if he thought the Black Kettle project would make a difference. He said it would if the property came into the Town's sewer district and would use a significant portion of the remaining water and sewer capacity. Mr. Whited also shared that if the Town were able to reduce the balance sheet there is no reason why the rates increase could not be reversed. Mr. Bennett also reminded TC the capital costs associated with extending the sewer service district in relation to the return that the Town gets from operating fees would place the Town in another deficit.

Ms. Anstey said the math needs to be worked out because if we are saying the answer is to expand the capacity but the capital costs are going to negate that advantage then that plan needs to be reconsidered. Mr. Schneider said there is minimal cost to tie into the lines that were installed in Phase I but there will be significant costs to lay down lines in Phase II. He feels the best option is to determine if anything can be done within the boundary of Phase I. Tapping new lines into the system will increase operating costs like, energy usage, chemicals and the ESS contract. He agrees with Mr. O'Connell's point that we have unused capacity to generate more revenue but we have to understand Phase I and II of the sewer district. If the Town goes outside of the Phase I sewer district, it may never recoup those costs. He feels maximizing what's available within Phase I is probably the best plan. Mr. Bennett said the best financial sense for a sewer system is population density.

Ms. Kauffmann asked if there could be a projection of cost vs revenue if the Town did the infill of Phase I of the sewer district and what the cost vs revenue would be to extend the infrastructure for Phase II. Mr. Whited agreed a general estimate could be made. He feels the capital costs for the infill would be very negligible. Mr. Bennett shared that in Town there are a bunch of half-acre lots that didn't have the ability to have a drainfield and those were factored into the capacity estimates.

Ms. Buntin asked if the Black Kettle project is included in Phase I or II. Mr. Bennett said it's included in Phase I. She shared the subject of infill in Phase I has been discussed for a long time and no one has a plan. How does the Town promote the infill? Mr. Bennett said it was realized at the beginning of the sewer system project that it may be a long time before the infill happened. The TC at the time didn't want to start extending the sewer lines and have people start building subdivisions. Mr. Schneider said promoting the infill isn't a bad idea but ultimately, it's up to the owner what they want to do with their property. He thinks perhaps the Town needs someone with expertise to help with branding the Town.

Ms. Buntin shared that someone saw her name on the post office flyer who called her to object to the Black Kettle development.

Mayor Catlin closed the public forum at 8:20 p.m.

ADJOURNMENT: At 8:20 p.m. Ms. Swift made a motion to continue the meeting till the March 20 budget work session and Mr. Whited seconded and a roll call vote was taken:

Ms. Goodine voted "yes"
Mr. O'Connell voted "yes"
Ms. Swift voted "yes"
Mayor Catlin voted "yes"
And the motion passed 7-0.

Ms. Kuhn voted "yes"
Mr. Schneider voted "yes"
Mr. Whited voted "yes"

THE TOWN COUNCIL MEETING WAS CONTINUED TO MARCH 20, 2021.

THE NEXT REGULARLY SCHEDULED MEETING OF THE TOWN COUNCIL IS
April 12, 2021.

Barbara Batson, Town Clerk

Attachments:

Treasurer's Report

Bills to be paid

Water and sewer ordinance

FEMA floodplain ordinance template