

# Town Council Agenda

Tuesday, June 14, 2016

7:00 PM

Clifton Forge Council Chambers

547 Main Street





## TOWN OF CLIFTON FORGE

547 MAIN STREET · P. O. BOX 631  
CLIFTON FORGE, VIRGINIA 24422  
(540) 863-2500 / 2501 · FAX (540) 863-2534  
[www.cliftonforgeva.gov](http://www.cliftonforgeva.gov)

**COUNCIL AGENDA**  
**TOWN OF CLIFTON FORGE, VIRGINIA**  
**7:00 P.M. TUESDAY, JUNE 14, 2016**  
**CLIFTON FORGE TOWN COUNCIL CHAMBERS**  
**547 MAIN STREET**

**INVOCATION BY**

**CALL TO ORDER**

**PLEDGE OF ALLEGIANCE**

**PUBLIC HEARING**

**BOND RESOLUTION FOR PROPOSED DEBT ISSUANCE**

Debt needs to be issued to provide funds to finance the following capital items which were approved May 26, 2015 when the Town adopted its FY2016 general fund capital improvements budget: paving in Red Hill Cemetery, financial software and hardware, storm drain inspection program, a pickup truck with snow plow, X-Mark mower and a vehicle for Community Development, including reasonable costs of financing and issuance (the "Project"). The maximum amount of such debt is \$189,000. The Town will pledge its full faith and credit and taxing power to the repayment of the debt. Other funds available to the Town not constituting a debt of the Town may be used to repay any remaining portion of the Project.

**RECOMMENDATION:** Adopt resolution

**CONSENT AGENDA**

- 1. MINUTES**      **May 17, 2016**      **Work Session**  
                         **May 24, 2016**      **Council Meeting**

**RECOMMENDATION:** Approve minutes from May 17 and 24, 2016

**ACTION ITEMS**

- 2. AN ORDINANCE IMPOSING AND LEVYING TAXES WITHIN THE TOWN OF CLIFTON FORGE, VIRGINIA UPON REAL PROPERTY FOR THE FISCAL YEAR BEGINNING JULY 1, 2016 AND ENDING JUNE 30, 2017, AND UPON PERSONAL PROPERTY AND MACHINERY AND TOOLS FOR THE CALENDAR YEAR BEGINNING JANUARY 1, 2016, AND ENDING DECEMBER 31, 2016.**

**RECOMMENDATION:** Adopt ordinance

- 3. AN ORDINANCE TO REPEAL SECTION 86--564 SEWER LATERAL CHARGE EFFECTIVE JULY 1, 2016**

**RECOMMENDATION:** Adopt ordinance

- 4. AN ORDINANCE TO AMEND SECTION 86-556, WASTEWATER SERVICES CHARGES AND FEES BEGINNING JULY 1, 2016.**

**RECOMMENDATION:** Adopt ordinance

- 5. AN ORDINANCE TO AMEND SECTION 86-95, WATER SERVICES CHARGES AND FEES BEGINNING JULY 1, 2016.**

**RECOMMENDATION:** Adopt ordinance

**6. RESOLUTION ADOPTING THE FISCAL YEAR 2016-2017 OPERATING AND CAPITAL BUDGETS FOR THE TOWN OF CLIFTON FORGE, VIRGINIA AND APPROPRIATING THE REQUISITE FUNDS FOR SAID BUDGETS**

**RECOMMENDATION:** Adopt resolution

**7. APPROPRIATION RESOLUTION**

The Town has received two grants for a Broadband Study. The Department of Housing and Community Development has awarded the Town \$50,000 and The Alleghany Foundation has awarded \$7,500.

These two grant amounts must be appropriated into the Fiscal Year 2015-2016 operating budget.

**RECOMMENDATION:** Proceed to second reading

**8. ADOPTION OF COUNTY WATER RATE**

The calculation of the water rate to charge the County has been completed with the preparation of the FY2016-2017 operating and capital budget for water. Based upon their proportionate use of the system, the County's rate will be \$4.03 per 1,000 gallons effective July 1, 2016.

**RECOMMENDATION:** Adopt proposed rate

**9. RESOLUTION FOR TRANSFER OF ASSETS**

As part of the settlement agreement with the County, it is necessary to transfer the property and assets related to the Wastewater Treatment Plant along with the assumption of the remaining debt from the Town to the County. The required public hearing for disposition of public property was held on July 13, 2010.

**RECOMMENDATION:** Adopt resolution

## **10. ADOPTION OF WASTEWATER SERVICE AGREEMENT**

Successful mediation of the sewer rate charges under the 2007 agreement in March of this year has resulted in a new agreement which allocates costs for debt and operation based on the jurisdiction's actual use of facilities.

**RECOMMENDATION:** Adopt agreement as written

### **INFORMATION**

Summer Meals Program for Kids began on June 6, 2016 and will continue through July 28, 2016 at the Clifton Forge Fire Station from 11:30 AM – 12:30 PM. Meals will be provided to all children 18 years or younger—FREE!

A representative from Congressman Griffith's office will be available in the Armstrong Room at the Library from 10 AM – 12 Noon on Thursday, June 16, 2016 and July 21, 2016.

### **MANAGER'S COMMENTS**

### **UPCOMING EVENTS**

#### **CLIFON FORGE PUBLIC LIBRARY**

**ZIKA VIRUS PROGRAM—WEDNESDAY, JUNE 29, 2016, 6 PM**

**SUMMER READING PROGRAMS—JULY 6, JULY 12, JULY 20, AND JULY 27, 2016, 11 AM – 12 PM**

#### **CLIFTON FORGE MAIN STREET**

**DOWNTOWN MARKET—EACH FRIDAY, THROUGH SEPTEMBER 30, 2016, 8 AM – NOON**

**STARS AND STRIPES CELEBRATION—MONDAY, JULY 4, 2016**

**CLIFTON FORGE SCHOOL OF THE ARTS**

**JAMMIN AT THE MILL—FRIDAY, JUNE 17, 2016, 7 PM**

**MASONIC AMPHITHEATRE**

**“STARS”, SPONSORED BY APPALFOLKS—SATURDAY, JUNE 19, 2016, 2-4 PM**

**GRAN FONDO FINISH LINE PARTY—SATURDAY, JULY 9, 2016, 10 AM –6 PM**

**PIXAR’S “INSIDE OUT” MOVIE UNDER THE STARS—FRIDAY, JULY 22, 2016, DUSK**

**“LEGENDS OF THE HIGHLANDS” INCLUDING SILVERBACKS, RALLY CRY, CHAD NICKELL & LOOSE CHANGE—SATURDAY, JULY 23, 2016, 6 PM**

**OPEN MIC NIGHT—FRIDAY, JULY 29, 2016, 7 PM**

**MASONIC THEATRE**

**GRAND REOPENING—JULY 1-3, 2016 (FOR SCHEDULED TO GO HISTORICMASONICTHEATRE.COM)**

**PUBLIC COMMENTS**

**COUNCIL COMMENTS**

**CLOSED SESSION – PURSUANT TO SECTION CHAPTER 2.2-3711 A-3 REAL ESTATE**

**NOTICE OF PUBLIC HEARING OF PROPOSED DEBT ISSUANCE BY  
THE TOWN OF CLIFTON FORGE**

The Clifton Forge Town Council will hold a public hearing on the proposed issuance of general obligation debt by the Town. The general purpose for which the debt is to be issued is to provide funds to finance paving in Red Hill Cemetery, Financial software and hardware, storm drain inspection program, a pickup truck with snow plow, X-Mark mower and a vehicle for Community Development Department, including reasonable costs of financing and issuance (the "Project"). The maximum amount of such debt is \$189,000. The Town expects to pledge its full faith and credit and taxing power to the repayment of the debt. All of the items in the Project were approved May 26, 2015 when the Town adopted its FY2016 general fund capital improvements budget. Other funds available to the Town not constituting a debt of the Town may be used to repay any remaining portion of the Project. The public hearing will be held at 7:00 p.m. on June 14, 2016, at the Clifton Forge Town Hall, 547 Main Street, Clifton Forge, Virginia.

**RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF A GENERAL  
OBLIGATION BOND, SERIES 2016,  
OF THE TOWN OF CLIFTON FORGE, VIRGINIA,  
IN THE AMOUNT OF \$189,000 AND PROVIDING  
FOR THE FORM, DETAILS AND PAYMENT THEREOF**

**WHEREAS**, pursuant to Article VII, Section 10 of the Constitution of the Commonwealth of Virginia (the "Constitution"), and Title 15.2, Chapter 26 of the Code of Virginia of 1950, as amended (the "Public Finance Act"), the Town of Clifton Forge, Virginia (the "Town") is empowered to acquire, construct, reconstruct, operate and maintain any public improvement for which it is authorized by law to appropriate money and to issue its bonds to pay all or a part of the same or to carry out its other purposes; and

**WHEREAS**, pursuant to the Constitution and the Public Finance Act, the Town is empowered to pledge its tax revenues for the payment of principal and interest on such bonds; and

**WHEREAS**, the Town desires to issue the Bond (as hereinafter defined) for the purpose of permanently financing certain road and drainage projects and equipment (the "Project"), for which it is authorized by law to appropriate money; and

**WHEREAS**, Branch Banking & Trust Co. (the "Bank") has offered to purchase the Bond at the price and on the terms hereinafter provided:

**NOW, THEREFORE, BE IT RESOLVED** by the Town Council of the Town of Clifton Forge, Virginia

1. It is hereby determined to be necessary and expedient for the Town to borrow \$189,000 to provide permanent financing for the Project.
2. Pursuant to the Public Finance Act, there is hereby authorized to be issued and sold a General Obligation Bond, Series 2016, of the Town in the principal amount of \$189,000 (the "Bond".)
3. After mature consideration of the method of sale of the Bond and current conditions of the municipal bond market, it is hereby determined that it is in the best interest of the Town and the Commonwealth of Virginia to accept the offer of the Bank to purchase the Bond, which shall mature and bear interest set forth below, and such offer is hereby accepted.
4. The Bond shall be a single fully registered Bond without coupons, shall be numbered R-1, shall be dated as of the date of its delivery to the Bank upon payment therefore, (the "Closing Date"), shall bear interest at the rate of two and twenty-two one hundredths percent (2.22%) per year, and shall provide for payment in annual installments of principal and interest combined of \$40,354.32 each, payable annually on the same day of the month as the Closing Date (such day of the month being referred to herein as the "Payment Day"), beginning on the first (1<sup>st</sup>) Payment Day following the Closing Date and continuing on each of the next four (4)

Payment Days thereafter, until paid. If not sooner paid, the final installment, together with all other amounts payable hereunder and under the Bond, shall be due and payable on the Payment Day in the fifth (5<sup>th</sup>) year after the Closing Date. In the event the Closing Date occurs on the 29<sup>th</sup>, 30<sup>th</sup>, or 31<sup>st</sup> of a month, the Payment Day shall be the 28<sup>th</sup> day of such month in the following years. The payment of every installment shall be applied first to interest accrued to the applicable Payment Date and then to principal. Installments and the aforesaid annual interest payments shall be payable in lawful money of the United States of America by check or draft mailed to the registered owner of the Bond and its address as it appears on the registration books, except that the final installment shall be payable upon presentation and surrender of the Bond at the office of the Finance Director of the Town, who is hereby appointed Registrar. The financing proceeds shall be deposited on behalf of the Town in a project fund account with the Bank. Earnings on the project fund shall accrue to the benefit of the Town for use on Project costs or interest payments provided, however, that such earnings shall under no circumstances whatsoever exceed the rate of interest payable by the Town on the Bond.

At the request of Bank, the Bond may be delivered as a fully registered Bond in the alternative form substantially as set forth in paragraph 7 providing for principal advances to be made from time to time by Bank in an aggregate amount not to exceed \$189,000. An authorized officer of Bank shall enter the amount and the date of each such principal advance in the certificate on the Bond when the proceeds of such advances are delivered to the Town. Each such principal advance shall bear interest from the date of such advance so entered on the Bond.

The Bond shall be registered in the name of the Bank.

5. Installments of principal due on the Bond may be prepaid at the option of the Town at any time as a whole only on any scheduled Payment Date, at a 1% prepayment premium. Prepayment of installments of principal shall not affect the obligation of the Town to pay the remaining installments payable as provided in the preceding sentence, so long as any principal amount of the Bond remains outstanding. The Town shall cause notice of such prepayment to be sent by registered or certified mail to the registered owner of the Bond as its address appearing on the registration books of the Registrar not less than thirty days prior to such prepayment date. If, pursuant to any other resolution or agreement of the Town, Bank has the right to declare the outstanding principal amount of the Bond and any accrued interest thereon to be immediately due and payable, then, upon any such declaration, the Town shall promptly prepay the entire outstanding principal amount of the Bond, together with all interest accrued thereon. No notice shall be required to be given to the owner of the Bond in the case of a prepayment pursuant to the preceding sentence.

6. The Bond shall be signed by the Mayor or Vice Mayor of the Town Council of the Town (the "Council"), and the Town seal shall be affixed thereto and attested by the Clerk of the Council.

7. The Bond shall be in substantially the following form:

[FORM OF BOND]

No. R-1

\$189,000

**UNITED STATES OF AMERICA**  
**COMMONWEALTH OF VIRGINIA**  
**TOWN OF CLIFTON FORGE, VIRGINIA**

**Series 2016**

The Town of Clifton Forge, Virginia (the "Town"), for value received, hereby acknowledges itself indebted and promises to pay to Branch Banking & Trust Co. (the "Bank"), or registered assigns, the principal sum (equal to the aggregate amount of principal advances shown on the back hereof, but not to exceed the sum\*) of

**ONE HUNDRED EIGHTY-NINE THOUSAND DOLLARS**  
**(\$189,000)**

and to pay the registered owner here of interest on the unpaid principal from the date of each principal advance shown on the back\* hereof until payment of the entire principal sum at the rate of two and twenty-two one hundredths percent (2.22%) per year. Interest shall accrue on a 30 day month/360 day year basis. Annually on the same day and month as the Closing Date (the "Payment Date") (or if the Closing Date occurs on the 29<sup>th</sup>, 30<sup>th</sup> or 31<sup>st</sup> day of the month, then annually on the 28<sup>th</sup> day of such month), beginning on the first Payment Date following the Closing Date, installments of principal and interest combined of \$40,354.32. Each payment shall be applied first to the interest accrued to such Payment Date and then to principal. The final installment, if not sooner paid, shall be due and payable on the fifth (5<sup>th</sup>) such Payment Date following the Closing Date. Installments shall be payable in lawful money to the Bank by check or draft, mailed to the registered owner at its address as it appears on the registration book kept for that purpose at the office of the Finance Director of the Town, who has been appointed Registrar. The final installment of principal and interest shall be payable upon presentation and surrender hereof at the office of the Registrar.

This Bond has been authorized by a Resolution (the "Resolution") duly adopted by the Town Council of the Town on June 14, 2016 and is issued pursuant to the Constitution and statutes of the Commonwealth of Virginia, including Title 15.2, Chapter 26, Code of Virginia 1950, as amended (the "Public Finance Act") to provide funds, together with other available funds, to pay the cost of acquiring and constructing the Project (as defined in the Resolution). This Bond has been issued pursuant to the Public Finance Act and a resolution adopted under the Public Finance Act.

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\*Alternative language to be used in Bank requests provisions for principal advances.

THE TOWN OF CLIFTON FORGE, VIRGINIA, SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF AND INTEREST ON THIS BOND FROM ANY OF ITS FUNDS, INCLUDING BUT NOT LIMITED TO ITS GENERAL FUNDS GENERATED FROM TAXES. THE TOWN OF CLIFTON FORGE, VIRGINIA HEREBY PLEDGES ITS FAITH AND CREDIT AND ITS TAXING POWER TO THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THIS BOND OR OTHER COSTS INCIDENT THERETO. THIS BOND AND THE OBLIGATIONS OF THE TOWN UNDER THE RESOLUTION SHALL CONSTITUTE A LEGALLY BINDING GENERAL OBLIGATION DEBT OF THE TOWN.

This Bond is registered as to both principal and interest. Transfer of this Bond may be registered upon the registration books of the Registrar. Prior to due presentment for registration of transfer, the Registrar shall treat the registered owner as the person exclusively entitled to payment of principal and interest and the exercise of all other rights and powers of the owner.

Installments of principal due on this Bond may be prepaid at the option of the Town in whole only on any scheduled Payment Date with a premium of 1% of the amount of principal to be prepaid. Prepayments of installments of principal shall not affect the obligation of the Town to pay the remaining installments payable as provided above, so long as any principal amount of the Bond remains outstanding. The Town shall cause notice of such prepayment to be sent by registered or certified mail to the registered owner hereof at its address appearing on the registration books of the Registrar not less than thirty days prior to any prepayment date.

All acts, condition and things required by the Constitution and statutes of the Commonwealth of Virginia to happen, exist or be performed precedent to and in the issuance of the Bond have happened, exist and have been performed.

**IN WITNESS WHEREOF**, the Town has caused this Bond to be signed by the Mayor or Vice Mayor of its Town Council (the "Council"), its seal to be affixed hereto and attested by the Clerk of the Council and this Bond to be dated June \_\_, 2016.

TOWN OF CLIFTON FORGE, VIRGINIA

By: \_\_\_\_\_  
Mayor

(SEAL)

ATTEST:

\_\_\_\_\_  
Clerk

**TRANSFER OF BOND**

The transfer of this Bond may be registered by the registered owner or his duly authorized attorney upon presentation hereof to the Registrar, who shall make note of such transfer in books kept by the Registrar for that purpose and in the registration blank below.

<u>Date of Registration</u>	<u>Name of Registered Owner</u>	<u>Signature of Registrar</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

**CERTIFICATE OF PRINCIPAL ADVANCES\***

The amount and date of principal advances not to exceed the face amount hereof shall be entered hereon by an authorized officer of the Bank when the proceeds of each principal advance are delivered to the Town.

Amount	Date	Authorized Signature
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

**[END OF FORM OF BOND]**

8. Transfer of the Bond may be registered upon books maintained for that purpose at the office of the Registrar. Prior to due presentment for registration of transfer the Registrar shall treat the registered owner as the person exclusively entitled to the payment of principal and interest and the exercise of all other rights and powers of the owner.

9. THE TOWN OF CLIFTON FORGE, VIRGINIA, SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF AND INTEREST ON THIS BOND FROM ANY OF ITS FUNDS, INCLUDING BUT NOT LIMITED TO ITS GENERAL FUNDS GENERATED FROM TAXES. THE TOWN OF CLIFTON FORGE, VIRGINIA HEREBY PLEDGES ITS FAITH AND CREDIT AND ITS TAXING POWER TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THIS BOND OR OTHER COSTS INCIDENT THERETO. THIS BOND

\* Certificate of Principal Advances to be used if Bank requests provisions for principal advances.

AND THE OBLIGATIONS OF THE TOWN UNDER THE RESOLUTION SUCH PLEDGE SHALL CONSTITUTE A LEGALLY BINDING GENERAL OBLIGATION DEBT OF THE TOWN.

10. The Mayor, Vice Mayor and Clerk of the Town Council, are hereby authorized and directed to take all proper steps to have the Bond prepared and executed in accordance with its terms and to deliver the Bond to the Bank upon payment therefore. In the event the Bond is not issued and delivered during calendar year 2016, the Mayor, Vice Mayor and Clerk of the Board are hereby authorized and directed to change the series designation to such other year as may be appropriate at the time of its issuance.

11. The officers of the Authority are hereby authorized and directed to execute, deliver and file all documents, certificates and instruments on behalf of the Authority and to take all such further action as may be necessary or desirable in connection with the issuance and sale of the Bond, including the approval and filing of an appropriate IRS form 8038-G. The Authority hereby designates the Bond as a qualified tax exempt obligation under Section 265(b)(3)(B)(i)(III) of the Internal Revenue Code, 1986, as amended

12. All other acts of the officers of the Authority that are in conformity with the purposes and intent of this resolution and in furtherance of the issuance of the Bond are hereby authorized, ratified and approved.

13. The officers and the Town are hereby authorized and directed to execute, deliver and file such certificates and instruments, and to take such further action, as they may consider necessary or desirable in connection with the issuance of the Bond and the undertaking of the Project.

14. The Town shall comply with Sections 141, 148 and 149 of the Internal Revenue Code of 1986, as amended.

15. All ordinances or resolutions, or parts thereof, in conflict herewith are hereby repealed except such ordinances and resolutions as may have been adopted by the Town at the specific request of Bank as a condition to its purchase of the Bond.

16. A certified copy of this Resolution shall be filed in the Circuit Court of Allegheny County, Virginia pursuant to Section 15.2-2627 of the Public Finance Act.

17. This Resolution shall take effect immediately by the following recorded vote

	Yea	Nay	Absent
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Approved June \_\_\_\_, 2016

\_\_\_\_\_  
Mayor, Town Council,  
Town of Clifton Forge, Virginia

The undersigned Clerk of the Town Council of Town of Clifton Forge, Virginia (the "Council") hereby certifies that the foregoing constitutes a true and correct extract from the minutes of a meeting of the Council held on the \_\_\_\_\_ day of June, 2016 and of the whole thereof so far as applicable to the matters referred to in such extract.

**WITNESS** my signature and seal of the Council, this \_\_\_\_\_ day of June, 2016.

\_\_\_\_\_  
Clerk, Town of Clifton Forge, Virginia

**TOWN COUNCIL WORK SESSION**  
**Tuesday, May 17, 2016**  
**James N. Houff Conference Room**

Vice Mayor Hillert called the meeting to order at 7:00 PM.

Present: Vice Mayor Hillert, Councilwoman Roberts, Councilman Irvine, and Councilman Umstead

Also present: Darlene Burcham, Town Manager

Absent: Mayor Brinkley

The Town Manager asked for any comments/feedback on the proposed budget. Mr. Irvine requested copies of all the reports on the dam project, but modified that request upon seeing the size and number of documents to the height of the water in the dam before overflow occurred. The Town Manager said she would get that information to Council. When informally polled about the budget, Mr. Irvine indicated he had still not made up his mind. The other members were not happy with the proposed water and sewer increases or the lack of a salary increase for employees but felt that the budget proposal was necessary to meet the needs that should have been addressed in the past.

The Town Manager updated the Council on a pending land transfer by the Community Service Board to the Town for the land that is situated at the entrance to the “jungle”.

The Town Manager reported that she planned to reopen the Skate Park Memorial Day weekend. Council asked the Manager to prepare a presentation for the next Council meeting on the vandalism that had prompted the closure.

The Town Manager advised Council of the proposed settlement with the Conner’s firm on liquidated damages. With the Town Attorney’s concurrence, we are reducing the amount of liquidated damages by \$8,270, the amount paid to the Town and the County for our latest mediation, since mediation would be the next step in the process.





## TOWN OF CLIFTON FORGE

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**COUNCIL MINUTES  
TOWN OF CLIFTON FORGE, VIRGINIA  
7:00 P.M. TUESDAY, MAY 24, 2016  
CLIFTON FORGE TOWN COUNCIL CHAMBERS  
547 MAIN STREET**

### **INVOCATION BY DAVID DAVIS**

**CALL TO ORDER:** Vice Mayor Gayle Hillert called the meeting to order at 7:03 pm.

**PRESENT:** Vice Mayor Gayle Hillert, Councilwoman Johnette Roberts, Councilman Jeff Irvine, and Councilman Robert Umstead

Mayor Brinkley joined the meeting via telephone conference.

**ALSO PRESENT BUT NOT ON THE ROLL:** Darlene Burcham, Town Manager, Angela Carper, Clerk of Council, and David Davis, Town Attorney

**PLEDGE OF ALLEGIANCE:** Vice Mayor Gayle Hillert led the attendees and council in the pledge of allegiance.

Prior to opening the public hearing, Vice Mayor Hillert announced that Mayor Brinkley would be joining the meeting via telephone conference call. Angela Carper, Clerk, placed the call to Mayor Brinkley and once it was determined that he was connected and could hear the proceedings, the meeting continued with Vice Mayor Hillert opening the public hearing at 7:07 with LeeAnna Tyler, Finance Director providing a brief Power Point presentation on the proposed FY 17 budgets. The presentation was as follows:

# TOWN OF CLIFTON FORGE



## FISCAL YEAR 2017 GENERAL FUND OPERATING BUDGET AND CAPITAL IMPROVEMENT PROGRAM

### GENERAL FUND REVENUE

	<b>FY2016</b>	<b>FY2017</b>
	Adopted Budget	Proposed Budget
General Property Taxes	\$612,700	\$606,900
Other Local Taxes	995,000	996,000
Permits, Fees, Reg. Licenses	10,700	7,200
Fines and Forfeitures	11,050	9,750
Revenue from use of Money and Property	14,750	17,075
Charges for Services	58,300	68,800
Miscellaneous Revenue	33,725	33,725
Recovered Costs - Other	20,000	20,000
Revenue from the Commonwealth	1,097,274	1,111,149
Transfer fund	10,000	8,000
<b>TOTAL GENERAL FUND REVENUE</b>	<b>\$2,863,499</b>	<b>\$2,885,099</b>

# FISCAL YEAR 2017 PROPOSED BUDGET ONLY INCREASES .08% OVER FISCAL YEAR 2016 ADOPTED BUDGET

## GENERAL FUND EXPENDITURES

	FY 2016	FY2017
	Adopted Budget	Proposed Budget
General Government Administration	\$293,215	\$292,882
Public Safety	1,049,338	1,055,898
Public Works	613,238	628,456
Parks & Cultural	227,149	224,051
Library	198,880	200,186
Community Development	129,473	129,646
Non-Departmental	271,818	273,443
Capital Improvements	80,388	80,537
<b>TOTAL GENERAL EXPENDITURES</b>	<b>\$2,863,499</b>	<b>\$2,885,099</b>

## Revenue

No increase in tax rates or fees

Same Real Estate Tax Rate of 5.21 since 2008

Same Personal Property Tax Rate of \$6.70 since 2001

## Expenditures

Continue to fund essential services - Police, Fire and First Responder, Community Development and Public Works

No pay raises for employees

Funds 8% increase in health insurance cost for a single employee policy with cost offset by a reduction in required Virginia Retirement system rates

Continue to fund outside agencies such as Masonic Theater, Clifton Forge School of the Arts, Alleghany Highlands Arts and Crafts, Clifton Forge Main Street, Southwest Virginia Food Bank, Jackson River Enterprises, Alleghany Humane Society, Clifton Forge Little League and Alleghany Highlands Youth Soccer Association

## Capital Improvement Projects

General Fund	
Police Department - Building Repairs	\$40,000
Leaf Machine	45,000
Rt 60 Stormwater Pipe Replacement	69,000
Storm Drain Inspection Program	20,000
Pick up Truck with plow	35,000
X-Mark Mower	12,000
<b>Total General Fund</b>	<b>\$221,000</b>
Water Fund	
Reservoir Dam Safety - Engineering	\$226,250
Boundary Exchange	147,000
Emergency Generator - Bid documents	14,000
Main Transmission Lines - PER	
Permitting	20,000
Water Tank Capacity Study	10,000
Valve & Hydrant Replacements	66,500
Water Line Replacements	158,000
<b>Total Water Fund</b>	<b>\$741,750</b>
Sewer Fund	
DEQ Permitting /Engineering	50,000
Wastewater Line -CSX	250,000
Route 60 Pump Station	100,000
Lateral Camera	50,000
<b>Total Sewer Fund</b>	<b>\$450,000</b>

## BACKGROUND AND HISTORY SEWER SYSTEM

2006	DEQ Consent Order requires construction of LJR Regional Wastewater Facility to comply with Clean Water Act regulations to reduce SSO's
2007	Wastewater Agreement signed transferring sewer treatment responsibility to County
2011	LJR Facilities construction complete, sewer treatment operations transfer to County in October 2011

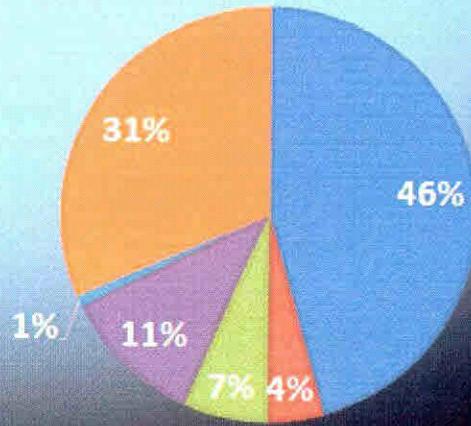
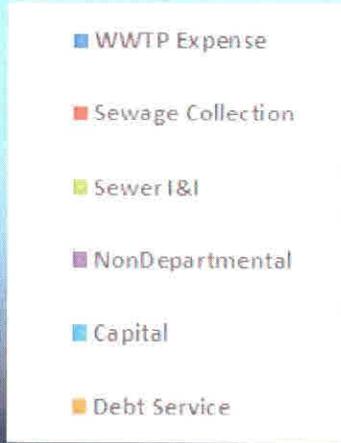
2011	Town metered billing goes live; Water & Sewer rate structures include base fees and tiered volume charges based on customer usage characteristics
2011	Town / County disagree over methodologies for calculating wholesale sewer and water rates
2012	Slight adjustment of rates to help offset decline in consumption; Rates remain at \$96 (combined monthly residential rate) for next 5 fiscal years
2014	County files suit over sewer payment deficits
2016	Mediation Hearing: Settlement reached for sewer rate dispute; new sewer agreement underway to resolve disparities with formula; new water agreement in discussion.

PREVIOUSLY, THE TOWN WAS RESPONSIBLE FOR DEBT ON SELMA, SHARON, AND IRON GATE FACILITIES, AS WELL AS CLIFTON FORGE FACILITIES.

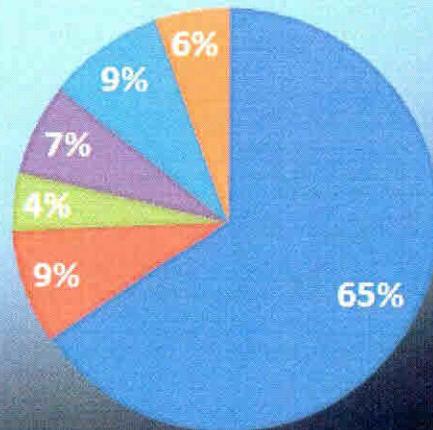
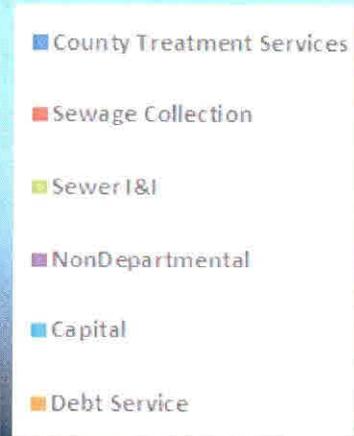
UNDER THE NEW AGREEMENT, CLIFTON FORGE PAYS DEBT ONLY FOR THOSE FACILITIES WHICH IT USES.

THE ANNUAL RATE IS CALCULATED ON DEBT AND AVERAGE SEWAGE FLOW.

## FY 2011 SEWER FUND EXPENSES \$1,218,000

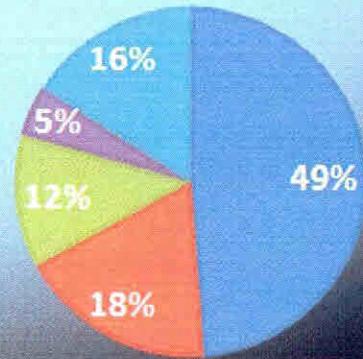


## FY 2017 SEWER FUND EXPENSES \$1,689,482



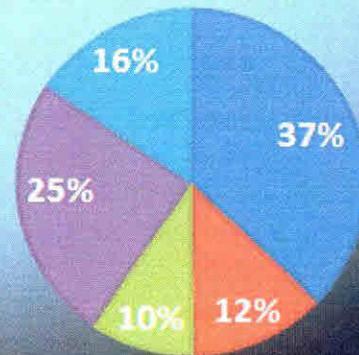
## FY 2011 WATER FUND EXPENSES \$933,000

- Water Filtration
- Transmission/Distribution
- Non-departmental
- Capital
- Debt Service



## FY 2017 WATER FUND EXPENSES \$1,370,730

- Water Filtration
- Transmission/Distribution
- Non-departmental
- Capital
- Debt Service



## ANNUAL RATES COMPARISON – TOWN

FY	Water	Sewer	Total
2011	\$ 26.50	\$ 67.50	\$ 94.00
2012	\$ 24.50	\$ 71.50	\$ 96.00
2013	\$ 26.50	\$ 69.50	\$ 96.00
2014	\$ 26.50	\$ 69.50	\$ 96.00
2015	\$ 26.50	\$ 69.50	\$ 96.00
2016	\$ 26.50	\$ 69.50	\$ 96.00
2017	\$ 30.80	\$ 74.20	\$ 105.00

## ANNUAL RATES COMPARISON – COUNTY

FY	Water	Sewer	Total
2011	\$ 37.00	\$ 37.00	\$ 74.00
2012	\$ 37.00	\$ 37.00	\$ 74.00
2013	\$ 39.00	\$ 39.00	\$ 78.00
2014	\$ 40.00	\$ 40.00	\$ 80.00
2015	\$ 40.50	\$ 40.50	\$ 81.00
2016	\$ 41.00	\$ 41.00	\$ 82.00
2017	N/A	N/A	N/A

## Background and History Sewer System

2006	DEQ Consent Order requires construction of LJR Regional Wastewater Facility to comply with Clean Water Act regulations to reduce SSO's
2007	Wastewater Agreement signed transferring sewer treatment responsibility to County
2011	LJR Facilities construction complete, sewer treatment operations transfer to County in October 2011

2011	Town metered billing goes live; Water & Sewer rate structures include base fees and tiered volume charges based on customer usage characteristics
2011	Town / County disagree over methodologies for calculating wholesale sewer and water rates
2012	Slight adjustment of rates to help offset decline in consumption; Rates remain at \$96 (combined monthly residential rate) for next 5 fiscal years
2014	County files suit over sewer payment deficits
2016	Mediation Hearing: Settlement reached for sewer rate dispute; new sewer agreement underway to resolve disparities with formula; new water agreement in discussion.

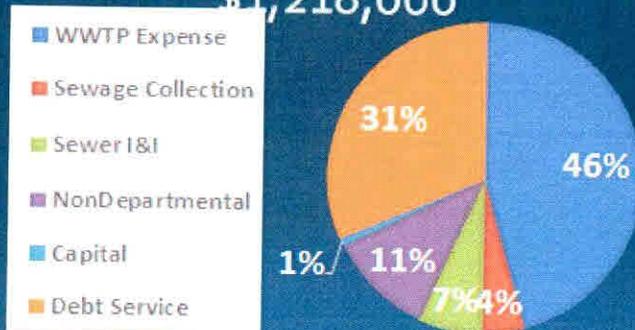
Previously, the Town was responsible for debt on Selma, Sharon, and Iron Gate facilities, as well as Clifton Forge facilities.

Under the new agreement, Clifton Forge pays debt only for those facilities which it uses.

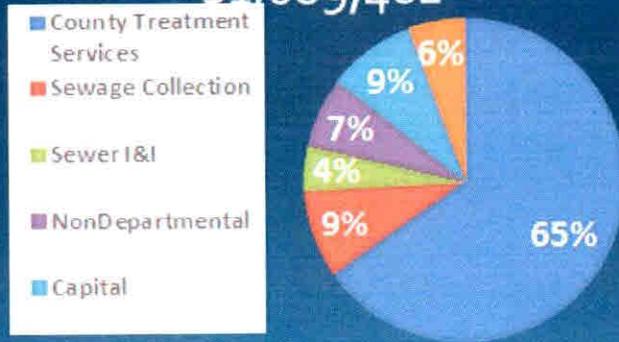
The annual rate is calculated on debt and average sewage flow.

### FY 2011 Sewer Fund Expenses

\$1,218,000



## FY 2017 Sewer Fund Expenses \$1,689,482



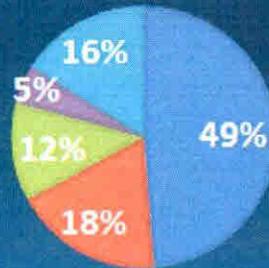
## Annual Rates Comparison - Town

FY	Water	Sewer	Total
2011	\$ 26.50	\$ 67.50	\$ 94.00
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2016	\$ 26.50	\$ 69.50	\$ 96.00
2017	\$ 30.80	\$ 74.20	\$ 105.00

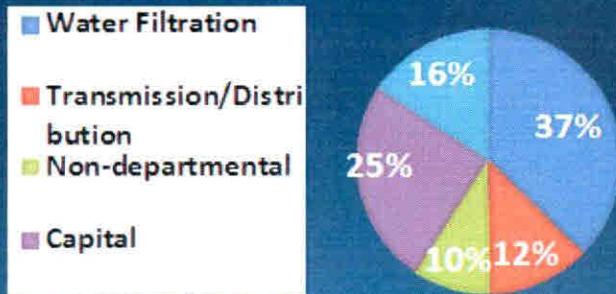
## Annual Rates Comparison - County

FY	Water	Sewer	Total
2011	\$ 37.00	\$ 37.00	\$ 74.00
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2013	\$ 39.00	\$ 39.00	\$ 78.00
2014	\$ 40.00	\$ 40.00	\$ 80.00
2015	\$ 40.50	\$ 40.50	\$ 81.00
2016	\$ 41.00	\$ 41.00	\$ 82.00
2017	N/A	N/A	N/A

## FY 2011 Water Fund Expenses \$933,000



## FY 2017 Water Fund Expenses \$1,370,730



### PUBLIC HEARINGS

#### A. First Readings and Public Hearing: Proposed FY 2016-2017 Operating and Capital Budgets

- 1) **An Ordinance Imposing And Levying Taxes Within The Town of Clifton Forge, Virginia Upon Real Property For The Fiscal Year Beginning July 1, 2016 and Ending June 30, 2017, and Upon Personal Property and Machinery and Tools For the Calendar Year Beginning January 1, 2016, and Ending December 31, 2016.**

**RECOMMENDATION:** Proceed to second reading

- 2) **An ordinance to repeal Section 86--564 Sewer Lateral Charge effective July 1, 2016**

**RECOMMENDATION:** Proceed to second reading

- 3) **An ordinance to amend Section 86-556, Wastewater Services Charges and Fees beginning July 1, 2016.**

**RECOMMENDATION:** Proceed to second reading

- 4) **An ordinance to amend Section 86-95, Water Services Charges and Fees beginning July 1, 2016.**

**RECOMMENDATION:** Proceed to second reading

- 5) **Resolution Adopting the Fiscal Year 2016-2017 Operating and Capital Budgets For the Town of Clifton Forge, Virginia and Appropriating the Requisite Funds for Said Budgets**

**RECOMMENDATION:** Proceed to second reading

Vice Mayor Hillert asked other members of Council if they had comments or questions and then opened the floor to public comment and called upon those who had signed up to speak. Comments were as follows:

1. Eddie Reynolds of 1037 Commercial Avenue asked if the sewer lateral fee is going to be dropped, then stated that if so the increase is \$9. He stated that he would like to know the deal that was struck with the County and if that deal has anything to do with the increased rates. He asked that Council be honest with citizens.

Vice Mayor Hillert stated that that is always the intent and they will continue to and thanked Mr. Reynolds for his comments. Mrs. Burcham advised that the settlement agreement between the Town and Alleghany County is not the reason for the increase in rates and in fact the settlement should help the Town because it will decrease the amount paid to the County over a 5 year period and that without the agreement in place the increase would have been higher than proposed.

Mr. Reynolds asked if the rates will increase again next year. He stated that he has new neighbors and when moving here they were not

aware of the utility rate and it will be hard for citizens to make the payments.

Mrs. Burcham advised that the County has, as was shown in the presentation, raised their rates annually, and that the Town should have done the same and that she does anticipate the need for annual increases due to repairs that are being required Town to fulfill due to years of non-maintenance.

2. Todd Anderson of Jackson River Enterprises addressed Council in regards to the notification that he had received advising of the amount of funding for their organization. He stated that previously in the contract with the Town, they received \$18,963, but the letter he received from Mrs. Tyler states that only \$15,030 is allocated for FY 17 and he asked the reason for the decrease.

Mrs. Burcham advised that as he could see from the presentation that Mrs. Tyler had just shown, there are a lot of activities that could not be funded at all this year and many are being funded at a lesser amount. She also stated that with the contract with JRE, the Town was expecting to see increased activities from them, but this has not occurred.

3. Rick LeBleu of 200 Revere Street asked how the money received from the increased water rates is used. He also stated previously when asked he was told that the Town had money in the bank for the trial, etc., and he would like to know where that has gone.

LeeAnna Tyler, Finance Director, advised that the monies that were in place to cover the funds for the payments being made to the County are still in place and that the Town is digging into its reserve fund now, which will help to offset the increase.

Mr. LeBleu stated that he had noticed the ads in the newspaper recently for open positions in the Public Works and Police Department and he suggests freezing those positions and use those funds to decrease rates. He stated that there should be other ways to get the money needed and maybe the Town should consider raising the real estate taxes or go back to not using the water meters and having

citizens pay for only exactly what they use. He also stated that the Town could save by not using the fire truck for First Responder calls and use the pick-up truck instead.

Councilman Irvine addressed Mr. LeBleu and explained that the fire truck is used for First Responder calls because the Fire Department's first priority is for a fire call and it allows them to be prepared and save time responding if needed.

Mr. LeBleu also stated that he doesn't understand why the Town is giving funds to the Masonic Theatre when they are tax exempt. He stated the he would rather pay a little more on real estate taxes twice a year than pay additional charges each month on his water.

Vice Mayor Hillert explained to Mr. LeBleu that as Mrs. Tyler has explained both tonight and in previous meetings, the water, sewer, and real estate taxes are three totally separate funds or accounts and the monies cannot be moved between them, they must be used for what they are slated for.

Mr. LeBleu asked where the money that has been collected for the sewer laterals is kept and why the Town can't just put that money into the main fund to avoid having an increase.

Mrs. Burcham explained that the money that has been collected for the sewer laterals can only be used for that item, nothing else. She reiterated both Mrs. Tyler's and Mrs. Hillert's comments that the Town is not allowed to move funds between accounts, the funds can only be used for the item they have been set aside for and cannot be used for any other purpose other than what has been designated for.

4. Clarence Cullis of Jefferson Street stated that he would like for Council to consider keeping the \$3 sewer lateral fee in place. He stated that it took three months of meetings in the beginning to establish the fee and who was responsible for what and that nowhere in the ordinance does it spell out who is responsible for what portion of the line. He said that it was established that if someone called to have a lateral installed it would be a certain cost and that it does not state what that cost for materials will be and that it could be endless and end up being some astronomical figure that people can't afford

because not all of them are simple, some require digging up the asphalt or sidewalks, etc. He stated that he does not want Council to do away with the fee. He said that 10 years from now when all of the people that established the ordinance and protocol are gone and the issue comes up again it will be a problem.

Councilwoman Roberts stated that the \$3 fee was for the sewer lateral and that the ordinance states that the resident is responsible for the line from their lateral to the main. Mrs. Burcham added that with the removal of the \$3 fee, the Town will be responsible instead of the resident.

Mr. Cullis continued by stating that the Town had said the funds collected for the sewer laterals would be kept in a separate fund, but that they are not and that there are no records as to how much has been collected or how much has been used towards the laterals.

Mrs. Tyler advised that is inaccurate and read the figures he requested in regards to the fund. He argued saying that she had told him that there was not such a fund and Mrs. Tyler, along with Vice Mayor Hillert explained that what was meant was that she didn't have the information for him while he was standing at the counter on the day he came in, but that it is there and available when given time to gather it.

Mrs. Burcham advised that the sole purpose of the \$3 fee was the get people who didn't have a cleanout to install one to help eliminate issues that could arise with their lines, but that to date there are only about 160 residents that have taken advantage of the program out of 1500. Councilwoman Roberts asked Mrs. Burcham if someone is interested in having a cleanout installed but has not yet signed up would still have that option. Mrs. Burcham advised that the option will still be available for the same \$60 materials fee that has established for the installation and that all residents who have already paid to be added to the list will have their cleanout installation completed prior to July 1. She stated that it has been found that the majority of homes that have been visited already have a cleanout. Councilman Irvine asked when the \$3 fee went into effect and Mrs. Tyler advised July, 2014. Mr. Irvine asked if updates had been

provided at Council meetings and how many. Mrs. Burcham advised that she is unsure off the top of her head, but she believes 3 or 4, but that the information is, included in the Public Works monthly reports which are also posted on the Town's website and area bulletin boards. Vice Mayor Hillert advised that when the fee was put in place, it was established that it would be reviewed after it was in place for a period of time to make sure the program was working and that with so few residents taking advantage of the offer, it's just not functional to leave in place at this point.

LeeAnna Tyler read all of the documents for the proposed budget and with no further comments, the budget will appear on the June 14 Council agenda for second reading and adoption.

Vice Mayor Hillert closed the public hearing at 7:48 PM.

## **PRESENTATIONS**

### **What's Your Story—Joan Vanorsdall**

Joan Vanorsdall thanked Council for their time and then introduced her new project, a book titled "What's Your Story?" She said it is about sharing the past to build the future and is a community building project in which she is currently eliciting stories from people within the community about what matters to each one, things that have impacted their lives within the area, and just a great way to share the real history of the area through actual experiences. She stated that Clifton Forge is the pilot project and that as it grows it will include more areas and will include more and more people. She stated that money made through the project will go back into the project and that it is a 50/50 split. Donations can be made through Clifton Forge Main Street which has been kind enough to offer their help since they are also a non-profit organization. Books will be priced \$18 each. A copy of the presentation follows:

# WHAT'S YOUR STORY?

Sharing Our Past to Build Our Future

## What's Your Story?

A community-building storytelling initiative designed to validate the experiences of all Highlands residents.

## Project Participants to Date

“What’s Your Story?” is a non-profit project.

All committee members and interviewers are volunteers, bringing diverse expertise:

John Rainone, President, DSLCC

Laura Rainone, Director, CFSOTA

Chuck Almarez, photographer

Joan Vannorsdall, writer

Gayle Hillert, Vice-Mayor, Clifton Forge

Rachel Edwards, graphic designer

Mott Atherholt, former Director, CF Main Street

## Project Description & Inspiration

### What’s Your Story?

- Pilot project in Clifton Forge.
- Goal = All segments of the Highlands.
- Collection methods:
  - one-on-one interviews
  - street booths
  - write-ins
  - social media.

### Project Framework Inspired by

- Global Giving Africa Project
- National Geographic Pine Ridge Community Project
- NPR “StoryCorps” and “This American Life”
- Orton Family Foundation Heart & Soul Methodology
- North Richmond Battery Park Storytelling Event
- *Humans of New York* blog and book

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## Why?

- The Allegheny Highlands is facing an identity crisis.
- Who are we as a community?
- What might we become?
- Revitalization efforts are ongoing and promising.
- “What’s Your Story?” will bring people together to talk about our area, building community and sharing values.

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## The Power of Story

- Story links the speaker and listener.
- A story heard and recorded validates the teller’s history, values, and hopes.
- A story shared with many others builds community.

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## Storytelling Project Start to Finish

- Interviewers collect and video stories.
- Storytellers are photographed.
- Stories are collected and published in topical volumes, with portraits of storytellers.
- Videorecordings are made available to area clubs, service organizations, schools, and governmental groups.
- Shared values and community consensus from the storytelling will be clarified and considered by community decision-makers.

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## Projected Outcomes

- 1 Increased citizen investment in the region.
- 2 Increased participation of high school and college students in community activities.
- 3 Increased pool of invested volunteers.
- 4 Increased media attention for the region.
- 5 More focused community and economic development.
- 6 Unifying the Alleghany Highlands through shared memories and values.

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## Impact Possibilities

Stories and information can be used by:

- Historical societies
- Chamber of Commerce
- Genealogical societies
- Main Street organizations
- Local businesses
- Local schools
- Arts organizations
- Social organizations
- Service organizations

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## What's Your Story: Volume I

- Historic Masonic Theatre
- Completed 25 interviews with a diverse group of individuals, ages 11-98.
- Meaningful and compelling stories.
- Photographs of storytellers by Chuck Almaraz.
- Volume I = 50 pages, 250 copies.
- Published by July 1 to be sold at the Theatre Grand Re-Opening and various businesses.

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## What's Your Story? Future Volumes

- C&O Railroad
- C&O Hospital
- Alumni Associations—CF High School, Jefferson High School
- Natural Resources of the Highlands (Humpback Bridge, Swinging Bridge, Jackson River, Falling Springs)
- Service Organizations
- \_\_\_\_\_, What's YOUR Story?

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"The livelihood of this town is not going to increase significantly without attracting people to the town to spend money. With the Masonic Theatre as the centerpiece, we may see the dream we had in 2000 – Clifton Forge as a cultural destination – come true."

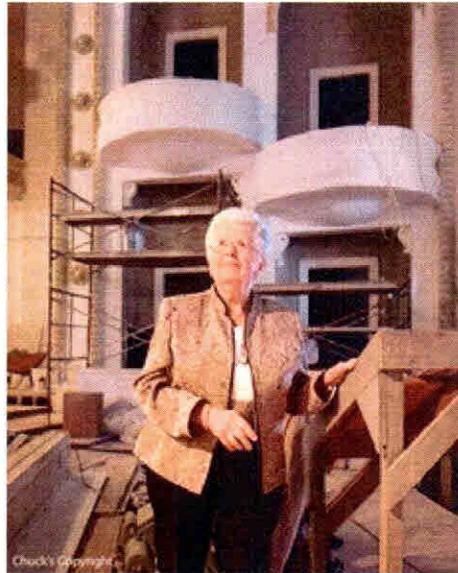
The Reverend W. Ed Mansfield  
Clifton Forge native  
Pastor, Piney Grove Baptist Church



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"Shirley Temple? Oh, my! I wanted to be just like her. I took dance lessons, and we had our recitals at the Masonic. The curtain would open, and the music would start, and we tapped our way to fame on that stage!"

Nadine Rankin  
92 years old  
Clifton Forge native



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"My hat goes off to those who had this vision, who have poured their hearts and souls into bringing Clifton Forge back to its former days. When I was growing up here, Clifton Forge was vibrant... people walked and talked. I hope the Theatre will again become a place to come to a gathering place."

Etulla Moore  
Clifton Forge native  
Retired teacher, Allegheny Highlands

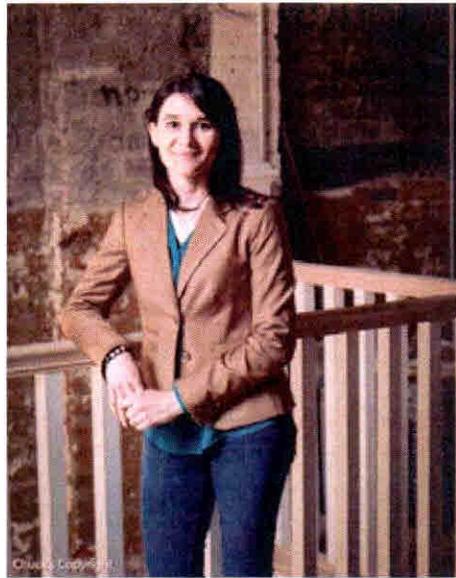


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"I have a picture of me and my friends clogging on the stage. We had on our mom jeans and our red vests and it was – that was the beginning. That was my first piece of stage. That was where it all started. I might have kicked a tap off into the front row, but I was having fun, daggone!"

"That's the beauty of the Masonic: there are no strangers. There wasn't anyone who wasn't welcomed."

Magnolia Purdue  
Clifton Forge native  
Studied at the American Academy  
of Dramatic Arts, New York City



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## Your Investment

- Seeking funding for initial volume printing.
- Revenue will go back into the project and to the book sellers.
- After Volume I, *What's Your Story?* will seek grant funding from the Alleghany Foundation.



## Donations

What's Your Story? operates under the nonprofit status of Clifton Forge Main Street, Inc.

Donations should be made out to "Clifton Forge Main Street – What's Your Story? Project" and mailed to:

Clifton Forge Main Street  
501 East Ridgeway Street  
Clifton Forge, VA 24422

All contributors will be recognized as donors; proceeds from book sales will be used for subsequent printings.

### **CONSENT AGENDA**

#### **1. MINUTES    May 10, 2016    Council Meeting**

**RECOMMENDATION:** Approve minutes from May 10 and 17, 2016

**Motion to approve minutes**

**Motion made by:**    Councilwoman Roberts

**Seconded by:**        Councilman Umstead

### **ROLL CALL VOTE**

<b>Councilman Irvine</b>	Aye
<b>Councilman Umstead</b>	Aye
<b>Councilwoman Roberts</b>	Aye
<b>Councilwoman Hillert</b>	Aye
<b>Councilman Brinkley</b>	Aye

**Motion passed:**        5-0

## 2. DEPARTMENT REPORTS

Police Department  
Public Library  
Public Works Department  
Water Treatment Plant  
Community Development  
Fire Department  
Finance Department

**RECOMMENDATION:** Accept reports as written

**Motion to accept reports as written**

**Motion made by:** Councilwoman Roberts

**Seconded by:** Councilman Umstead

### ROLL CALL VOTE

<b>Councilman Irvine</b>	Aye
<b>Councilman Umstead</b>	Aye
<b>Councilwoman Roberts</b>	Aye
<b>Councilwoman Hillert</b>	Aye
<b>Councilman Brinkley</b>	Aye

**Motion passed:** 5-0

### INFORMATION

Town offices will be closed on May 30, 2016 for the Memorial Day holiday.

Summer Meals Program for Kids will begin June 6, 2016 and continue through July 28, 2016. Meals will be provided to all children 18 years or younger—FREE!  
Locations included are: Alleghany High School (11 AM – Noon), Alleghany Highlands Regional Library (11:30 AM – 12:30 PM), Clifton Forge Fire Department (11:30 AM – 12:30 PM), Mountain View Elementary School (Breakfast 8-9AM, Lunch 11:15 AM – 12:15 PM)

The DMV2Go bus will be at Town Hall June 14, 2016, 9 AM – 4 PM

A representative from Congressman Griffith's office will be available in the Armstrong Room at the Library from 10 AM – 12 Noon on Thursday, June 16, 2016.

## **MANAGER'S COMMENTS**

Mrs. Burcham stated that she would like to take the time to clarify a statement she had made in regards to the amount that the Town will now be paying the County through the settlement agreement. She stated that the Town will be paying a total of \$200,000 over the next 5 years at 0% interest.

Mrs. Burcham mentioned that the surveys for the Broadband study are still being collected in an effort to see exactly what is needed and to seek the funding for improvements. She encouraged anyone who has not completed a survey to please do so and return it so that it may be included.

Mrs. Burcham advised that the Corridor Curb Appeal Committee will be hosting a paint party on June 11 and a neighborhood clean-up event on Roxbury Street on June 18. She encouraged anyone wishing to volunteer to help with either event.

Lastly, Mrs. Burcham provided a brief slideshow presentation showing the damages that were made to the Skate Park during 4 recent incidents of vandalism. She stated that all four incidents took place within the two weeks prior to April 4 when the last event ended in the decision to close the Skate Park in an effort to try to determine was doing the vandalism. She mentioned that the vandalism on April 4 was significant and involved the removal of some of the manhole covers in the area which were used as ramps and created a definite safety issue with the uncovered areas as well. She announced that the park will be reopened on Saturday, May 28, 2016 with the understanding that if there is further vandalism, the park will once again be closed. She encouraged anyone with information regarding the vandalism or those who may witness any type of vandalism or damage being done to please report it.

## UPCOMING EVENTS

### **CLIFTON FORGE MAIN STREET**

**DOWNTOWN MARKET—EACH FRIDAY, THROUGH SEPTEMBER 30, 2016, 8 AM - NOON**

### **CLIFTON FORGE SCHOOL OF THE ARTS**

**JAMMIN AT THE MILL—FRIDAY, JUNE 17, 2016, 7 PM**

### **MASONIC AMPHITHEATRE**

**OPEN MIC NIGHT, FEATURING NICKIE CALHOUN & JOSEPH LOMBARD—FRIDAY, MAY 27, 2016, 7 PM (DONATION)**

**HERITAGE DAY EVENT—CIVIL WAR HISTORY MOBILE—FRIDAY, JUNE 3, 2016, 4-6 PM AND MOVIE PREMIER OF DOCUDRAMA, “GIFT FROM A YANKEE”, 6 PM RECEPTION, 8 PM FILM, MASONIC THEATRE (RECEPTION/PREMIER \$30/\$20, PREMIER ONLY \$10/\$5)**

**HERITAGE DAY AND C&O RAILWAY FESTIVAL—SATURDAY, JUNE 4, 2016, 10 AM – 6 PM (FREE)**

**EVENING WITH “BRIGHTWORK WITH SEAY BROTHERS & FRIENDS”—SATURDAY, JUNE 11, 2016, 6:45-10 PM (\$12, \$10, \$8)**

**FLAG DAY CEREMONY & PICNIC—TUESDAY, JUNE 14, 2016, 5:30 PM**

**“STARS”, SPONSORED BY APPALFOLKS—SATURDAY, JUNE 19, 2016, 2-4 PM**

## PUBLIC COMMENTS

Clarence Cullis of Jefferson Street stated that he had read in the newspaper that a lady had come to help the Town with the utility rate issue, he believed her name to be Lori Kroll and he asked if she covered the law of diminishing returns. He stated that this is a poor community and is made of

mostly renters which means there is not a fixed amount of accounts to rely on each month and it varies. He stated that the law says that if the cost of living continues to increase, that people will move out of the community and slowly there will be nothing left. He stated that instead of income increasing it will decrease.

## **COUNCIL COMMENTS**

Councilman Irvine thanked everyone for coming and stated that Council has heard the concerns and will do their best to consider them all. Mr. Irvine stated that several people have mentioned raising taxes within the Town and that he is pleased to know that the Town has not had to raise taxes, but asked that everyone keep in mind that while the Town has not raised taxes, the County has and those increases affect the Town as well. He stated that more people are needed within the community to help, both in the business community and residential. In closing, Mr. Irvine mentioned the Memorial Day program to be held in Veteran's Memorial park on Monday, May 30.

Councilwoman Roberts thanked everyone for coming and stated that all comments are appreciated. She stated that it is not an easy decision on the budget and that all of Council, including the Mayor, have and will continue to consider all of the citizens and try to do the best they can for them. She thanked Joan Vanorsdall for her presentation and stated that she is looking forward to getting a copy of the book. Lastly, Mrs. Roberts provided a brief report on the Roxbury project. She stated that the last meeting was held on May 19 and all of the infrastructure work has been completed. She stated that there are a number of homes under construction or which have been completed and that work on two additional homes will begin this week. There is an effort in place to try to resolve the issue with the bids that are being received. The next meeting will be held on June 16.

Councilman Umstead thanked everyone for coming out and stated that the decisions regarding the budget are almost unbearable, but have to be made because if not done now, he feels that would mean leaving it for everyone's children to have to address later. He thanked Joan for her presentation and for everyone who provided their input and asked to please understand the decisions are not easy.

Vice Mayor Hillert thanked Joan Vanorsdall and LeeAnna Tyler for their presentations and thanked all who commented for their input. She stated the Council has and will

continue to consider everything heard and that as everyone has said it isn't an easy issue to have to vote on at all.

Mayor Brinkley stated that it has been a very interesting meeting but that if the Town is going to stay in business it must have the monies needed to do so. He stated that there is a lot more going on in the town that is thought and that new business have and continue to locate within the town. He stated that the cost of living increases yearly and it is something that must be dealt with in all communities. In closing, he thanked everyone and stated that he hopes to be able to return and see everyone at the next meeting.

Mayor Brinkley left the meeting at this point and the remainder of Council went into closed session as stated below.

**CLOSED SESSION – PURSUANT TO SECTION CHAPTER 2.2-3711 A-1 PERSONNEL**

**Motion made by:** Councilwoman Roberts **TIME:** 8:30 PM

**Seconded by:** Councilman Irvine

**ROLL CALL VOTE**

<b>Councilman Irvine</b>	Aye
<b>Councilman Umstead</b>	Aye
<b>Councilwoman Roberts</b>	Aye
<b>Councilwoman Hillert</b>	Aye

**Motion passed:** 4-0

**Motion to return to open session** **TIME:** 8:57 PM

**Motion made by:** Councilwoman Roberts

**Seconded by:** Vice Mayor Hillert

**ROLL CALL VOTE**

**Councilman Irvine**            Aye  
**Councilman Umstead**        Aye  
**Councilwoman Roberts**      Aye  
**Councilwoman Hillert**       Aye

**Motion passed:**            4-0

**Motion to certify only indicated items were discussed**

**Motion made by:**            Councilwoman Roberts

**Seconded by:**              Councilman Irvine

**ROLL CALL VOTE**

**Councilman Irvine**            Aye  
**Councilman Umstead**        Aye  
**Councilwoman Roberts**      Aye  
**Councilwoman Hillert**       Aye

**Motion passed:**            4-0

**Motion to appoint Deborah Umstead to the Library Board**

**Motion made by:**            Councilwoman Roberts

**Seconded by:**              Councilman Irvine

**ROLL CALL VOTE**

**Councilman Irvine**            Aye  
**Councilman Umstead**        Aye  
**Councilwoman Roberts**      Aye  
**Councilwoman Hillert**       Aye

**Motion passed:**            4-0

**Motion to appoint Barbara Boone to the Citizens Advisory Committee**

**Motion made by:** Vice Mayor Hillert

**Seconded by:** Councilwoman Roberts

**ROLL CALL VOTE**

**Councilman Irvine** Aye

**Councilman Umstead** Aye

**Councilwoman Roberts** Aye

**Councilwoman Hillert** Aye

**Motion passed:** 4-0

**Motion to adopt new policy on signage as follows:**

**Motion made by:** Councilman Irvine

**Seconded by:** Councilman Umstead

**ROLL CALL VOTE**

**Councilman Irvine** Aye

**Councilman Umstead** Aye

**Councilwoman Roberts** Aye

**Councilwoman Hillert** Aye

**Motion passed:** 4-0

**CLIFTON FORGE TOWN COUNCIL  
POLICY PERMITTING TEMPORARY  
SIGNS IN LIMITED SITUATIONS**

Temporary directional signs in conjunction with a special civic or cultural event such as a festival or concert sponsored by a governmental, charitable or non-profit organization may be permitted, subject to the following conditions:

1. Town Council must approve the event for the use of the temporary signs.
2. The event sponsor shall submit the proposed signage including content, size, number, proposed location, graphics, and proposed method for displaying the signage to the office of the Town Manager for review.
3. Said signage shall be reviewed by the Office of the Town Manager for suitability based on the foregoing criteria and potential benefit to visitors and citizens in providing directions to said event.
4. The office of the Town Manager after its review may require changes to the proposed signage and shall withhold approval until the signages in compliance.
5. No signage shall be permitted until approved by the office of the Town Manager.
6. After approval by the office of the Town Manager the event sponsor shall be permitted to erect the signage.
7. Any signage not in compliance will be removed by the Town.
8. The temporary signage shall be authorized one day prior to the event and shall be removed by the event sponsor on the day the event is concluded.

**Motion to approve the use of signs for Heritage Day**

**Motion made by:** Councilwoman Roberts

**Seconded by:** Councilman Umstead

**ROLL CALL VOTE**

**Councilman Irvine** Aye

**Councilman Umstead** Aye

**Councilwoman Roberts** Aye

**Councilwoman Hillert** Aye

**Motion passed:** 4-0

**Motion to adjourn**

**TIME: 9:30 PM**

**Motion made by:** Councilman Umstead

**Seconded by:** Councilwoman Roberts

**ROLL CALL VOTE**

**Councilman Irvine** Aye

**Councilman Umstead** Aye

**Councilwoman Roberts** Aye

**Councilwoman Hillert** Aye

**Motion passed:** 4-0

## ORDINANCE

An Ordinance Imposing And Levying Taxes Within The Town Of Clifton Forge, Virginia Upon Real Property For The Fiscal Year Beginning July 1, 2016 And Ending June 30, 2017 And Upon Personal Property And Machinery And Tools For The Calendar Year Beginning January 1, 2016, And Ending December 31, 2016

**BE IT ORDAINED** by the Council of the Town of Clifton Forge that for the support and operations of the town government, the tax rate on all real property for the fiscal year beginning July 1, 2016 and ending June 30, 2017, Fiscal Year 2016-2017, and all tangible personal property and machinery and tools shall be as follows:

### 1. Tax Rates

#### A. Real Estate

Upon all real estate and improvements thereon, not exempt from local taxation, there shall be a tax of No Dollars and Twenty-one cents (\$0.21) for every One Hundred Dollars (\$100.00) of the assessed value.

#### B. Public Service Corporations

Upon all property of public service corporations not exempt from local taxation, there shall be a tax of No Dollars and Twenty-one cents (\$0.21) for every One Hundred Dollars (\$100.00) of assessed value.

#### C. Tangible Personal Property

For the calendar year beginning January 1, 2016 and ending December 31, 2016, upon all tangible personal property of every kind and description not exempt from local taxation, there shall be a tax of Six Dollars and Seventy Cents (\$6.70) for every One Hundred Dollars (\$100.00) of assessed value. This tax shall not apply to household goods and personal effects as set forth in Section 58.1-3504, *Code of Virginia*, if such goods and effects are owned and used by an individual or family or household incident to maintaining an abode.

#### D. Machinery and Tools

For the calendar year beginning January 1, 2016 and ending December 31, 2016, upon all machinery and tools used or employed by any person, firm or corporation in any trade or business, not exempt from local taxation, there shall be a tax of six

Dollars and Seventy Cents (\$6.70) for every One Hundred Dollars (\$100.00) of assessed value which shall be based upon the fair market value thereof.

## **2. Tax Payments**

The abovementioned taxes shall be due and payable as follows:

### **A. Real Estate Tax Payments**

Real estate taxes shall be due and payable in two equal installments, the first on December 5, 2016 and the second on June 5, 2017. A ten percent (10.0%) penalty of the late payments of such tax shall be imposed. In addition to the penalty, the Town shall collect interest at the rate of ten percent (10.0%) per annum upon the principal and penalties of all such taxes not paid by the date due.

### **B. Personal Property and Machinery and Tools Taxes**

Personal property and machinery and tools taxes shall be due and payable on December 5, 2016. A ten percent (10.0%) penalty of the late payments of such tax shall be imposed on the amount remaining after PPTRA is applied. In addition to the penalty, the Town shall collect interest at the rate of ten percent (10.0%) per annum upon the principal and penalties of all such taxes not paid by the date due.

## **3. Severance Clause**

In the event that a court of competent jurisdiction declares any portion of this Ordinance invalid, then all remaining provisions shall remain in full force and effect.

## **4. Effective Date**

This ordinance shall be in effect on and after its adoption.

First Reading: May 24, 2016

Second Reading and Adoption: June 14, 2016

A TRUE COPY, ATTEST:

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Clerk of Council

## ORDINANCE

An Ordinance to Repeal Section 86-564, Sewer Lateral Charge  
of the Code of Ordinances for the Town of Clifton Forge, Virginia

**BE IT ORDAINED** by the Council of the Town of Clifton Forge, Virginia that Section 86-564, Sewer Lateral Charge of the Code of Ordinances of the Town of Clifton Forge, Virginia is hereby repealed effective on July 1, 2016.

First Reading: May 24, 2016

Second Reading: June 14, 2016

**ORDINANCE**

An Ordinance to Amend and Reordain Section 86-556,  
Wastewater Services Charges and Fees of the Code  
of Ordinances of the Town of Clifton Forge, Virginia

**BE IT ORDAINED** by the Council of the Town of Clifton Forge, Virginia that Section 86-556, Wastewater Service Charges and Fees of the Code of Ordinances of the Town of Clifton Forge, Virginia is hereby amended and reordained as follows:

**Section 86-556. Service charges and fees.**

(a) The following monthly charges shall apply to all customers (residential, commercial, industrial, institutional) that utilize the wastewater service of the Town:

Base Rate per ERU(Equivalent Residential Unit): \$74.20

Volume Rates Per 1000 gallons:

0	to	5,000	Included in base rate	
5,001	to	15,000	Tier 1	\$5.87
15,001	to	50,000	Tier 2	\$6.40
50,001	to	100,000	Tier 3	\$6.94
100,001	and over		Tier 4	\$7.47

(b) The above rates are based upon a standard 3/4–inch meter. Meters greater than 3/4-inch will have a multiplier applied to their base rate as follows:

<b>Meter Size</b>	<b>1.00</b>	<b>1.50</b>	<b>2.00</b>	<b>3.00</b>	<b>4.00</b>	<b>6.00</b>
<b>Equivalent Resident Unit</b>	<b>2.5</b>	<b>5</b>	<b>8</b>	<b>15</b>	<b>30</b>	<b>60</b>

This ordinance shall be in effect on and after July 1, 2016.

First Reading: May 24, 2016

Second Reading: June 14, 2016

**ORDINANCE**

An Ordinance to Amend and Reordain Section 86-95,  
Water Services Charges and Fees of the Code  
of Ordinances of the Town of Clifton Forge, Virginia

**BE IT ORDAINED** by the Council of the Town of Clifton Forge, Virginia that Section 86-95, Water Service Charges and Fees of the Code of Ordinances of the Town of Clifton Forge, Virginia is hereby amended and reordained as follows:

**Section 86-95. Service charges and fees.**

(a) The following monthly charges shall apply to all customers (residential, commercial, industrial, institutional) that utilize the water service of the Town:

Base Rate per ERU(Equivalent Residential Unit): \$30.80

Volume Rates Per 1000 gallons:

0	to	5,000	Included in base rate	
5,001	to	15,000	Tier 1	\$4.29
15,001	to	50,000	Tier 2	\$4.58
50,001	to	100,000	Tier 3	\$5.15
100,001	and over		Tier 4	\$5.84

The above rates are based upon a standard 3/4-inch meter. Meters greater than 3/4-inch will have a multiplier applied to their base rate as follows:

<b>Meter Size</b>	<b>1.00</b>	<b>1.50</b>	<b>2.00</b>	<b>3.00</b>	<b>4.00</b>	<b>6.00</b>
<b>Equivalent Resident Unit</b>	<b>2.5</b>	<b>5</b>	<b>8</b>	<b>15</b>	<b>30</b>	<b>60</b>

This ordinance shall be in effect on and after July 1, 2016.

First Reading: May 24, 2016

Second Reading: June 14, 2016

## RESOLUTION

A Resolution Adopting The Fiscal Year 2016-2017 Operating Budget and Capital Budget For The Town Of Clifton Forge, Virginia And Appropriating The Requisite Funds For Said Budget

**BE IT RESOLVED** by the Council of the Town of Clifton Forge, Virginia as follows:

1. That the Town Council hereby approves and adopts the document entitled "*Operating Budget, Town of Clifton Forge, Virginia, Fiscal Year 2016-2017*"
2. In order to provide the requisite funds for said operating budget, the following accounts are hereby appropriated by fund category for the fiscal year beginning July 1, 2016 and ending June 30, 2017; said appropriations shall remain in effect until amended or changed by Town Council.

3. Operating Budget

<u>Fund</u>	<u>Amount</u>
Fund 01 – General Fund	\$2,885,099
Fund 03 – Water Fund	1,370,730
Fund 04 – Sewer Fund	<u>1,689,482</u>
<b>Total All Funds</b>	<b>\$ 5,945,311</b>

4. Capital Budget

<u>Fund</u>	<u>Amount</u>
Fund 01 – General Fund	\$ 221,000
Fund 03 – Water Fund	741,750
Fund 04 – Sewer Fund	<u>450,000</u>
<b>Total All Funds</b>	<b>\$ 1,412,750</b>

5. The Town Manager is hereby directed and authorized to do all things necessary to implement said budget.
6. This resolution shall be in effect on and after its adoption.

First Reading – May 24, 2016

Second Reading – June 14, 2016

Attest:

Angela Carper , Clerk of Council

## Resolution

### A Resolution to Appropriate Funds

BE IT RESOLVED by the Council of the Town of Clifton Forge, Virginia as follows:

1. That the sum of \$57,500 be and the same hereby is, appropriated into the Town's operating budget for a Broadband Grant Study.
2. Said appropriation shall be reflected in the budget as the sum of \$ 57,500 appropriated to the following revenue and expenditure line items.

Revenue	3 100 19030 0035	\$ 50,000
Revenue	3 100 19030 0036	\$ 7,500
Expenditure	4 100 91900 0035	\$ 50,000
Expenditure	4 100 91900 0035	\$ 7,500

This resolution shall be in effect on and after its adoption.

First Reading: June 14, 2016

Second Reading: June 28, 2016

~~NO~~

Supporting  
Documents

**RESOLUTION AUTHORIZING THE TRANSFER OF CERTAIN ASSETS FROM THE TOWN OF CLIFTON FORGE TO ALLEGHANY COUNTY AND THE EXECUTION OF DOCUMENTS IN CONNECTION THEREWITH**

The Town currently owns a parcel of real property on which the County has constructed a sewer force main and related infrastructure and the equalization basins which were constructed by the Town (the "Facilities"), which parcel is described as "Parcel A" consisting of 2.166 acres on the Subdivision and Easement Dedication Plat dated September 12, 2011 and last revised on May 11, 2016 by Draper Aden Associates (the "Real Property").

The Town has financed the Facilities and certain other facilities that are or were formerly located on the Real Property in part through the issuance of a \$5,415,000 Sewer System Revenue Bond, Series 2000 (the "Bond").

In accordance with the terms of the Wastewater Service Agreement dated June 1, 2016, between the Town and the County, the Town and the County wish to provide for the transfer of the Real Property, including the Facilities and related assets constructed thereon by the County, from the Town to the County, the assumption by the County of the payment obligations of the Town under the Bond, and the release of the Town from its obligations under the Bond, on the terms and conditions stated herein.

In connection with such transfer and assumption, the parties thereto propose to execute and deliver the following documents (the "Transfer Documents"):

- (a) Transfer Agreement between the Town and the County; and
- (b) Financing Assumption Agreement between the County and the Virginia Resources Authority, a public body corporate and a political subdivision of the Commonwealth of Virginia (the "Authority"), as Administrator of the Virginia Water Facilities Revolving Fund (the "Fund") and in its own right.

THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE TOWN OF CLIFTON FORGE AS FOLLOWS:

1. Authorization of Transfer. It is hereby found and determined to be in the Town's best interest to allow the transfer of the Real Property and the Facilities, with certain related assets, to the County pursuant to and on the terms and conditions stated in the Transfer Documents, the forms of which have been presented at the meeting at which this resolution is adopted. The Transfer Documents shall be substantially in the forms submitted to this meeting, with such completions, insertions, additions and deletions as the officer executing it may approve. Either the Mayor or Vice Mayor of the Town is hereby authorized to execute and deliver the Transfer Documents to which the Town is party, and his execution and delivery thereof shall conclusively evidence his approval of any completions, insertions, additions and deletions. Any such officer is hereby authorized and directed to execute and deliver any documents, including deeds, contemplated or required by the Transfer Documents.

2. Effective Date: This resolution shall take effect immediately.

The undersigned Clerk of the Council of the Town of Clifton Forge, Virginia (the "Town"), hereby certifies that the foregoing constitutes a true and correct copy of a resolution duly adopted at a meeting of the Town Council held on June 14, 2016. I hereby further certify that such meeting was a duly called and held special meeting and that, during the consideration of the foregoing resolution, a quorum was present. I further certify that the minutes of such meeting reflect the attendance of the members and the voting on the foregoing resolution as follows:

<u>Members</u>	<u>Attendance</u>	<u>Vote</u>

**WITNESS MY HAND** and the seal of the Town of Clifton Forge, as of June \_\_, \_\_\_\_\_, 2016.

**(SEAL)**

\_\_\_\_\_  
Clerk

## WASTEWATER SERVICE AGREEMENT

This Wastewater Service Agreement (“Agreement”), is made this 1st day of July, 2016, (“Commencement Date”) by and between **Alleghany County, Virginia** (the “County”) and the **Town of Clifton Forge, Virginia** (the “Town”; each a “Party” and collectively the “Parties”), political subdivisions of the Commonwealth of Virginia.

**WHEREAS**, the County is authorized, pursuant to Chapter 21 of Title 15.2 of the Code of Virginia, 1950, as amended, to construct and operate a sanitary sewer system and to contract for the use of such system and services; and

**WHEREAS**, the County is desirous of contracting with the Town to provide certain wastewater treatment services (the “Services”) to the Town; and

**WHEREAS**, the Town is desirous of obtaining the Services from the County and of entering into an Agreement containing the terms and conditions for the providing of the Services:

**NOW THEREFORE**, in consideration of the mutual promises, conditions, and covenants herein set forth and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree to the following:

1. **WASTEWATER SERVICES.**

- a. *In general.* The County agrees to provide to the Town wastewater treatment of sewage from its sanitary sewer system (“Sewage”) and the Town agrees to transmit the same under the terms and conditions of this Agreement and to pay for the Services in accordance within the terms herein.
- b. *Capacity reserved.* The County shall reserve or “allocate” an average daily flow of 1.67 million (1,670,000) gallons per day and a peak daily flow of five million (5,000,000) gallons per day of Sewage treatment capacity within the County’s Lower Jackson River Regional Wastewater Treatment System for the Town.
- c. *Usage.* The Town shall purchase all of its sanitary sewer wastewater treatment services from the County, and shall not develop its own treatment capacity separate and apart from that provided for in this Agreement. The Town may contract with other persons to transmit their sanitary sewage through the Town’s Sanitary Sewer System for treatment by the County.
- d. *End users.* The County and the Town acknowledge that all Sewage sent to the County by the Town will be sent from persons and businesses connected to the Town’s Sanitary Sewer System.
- e. *Emergencies.* The County agrees to receive Sewage at the Main Clifton Forge Pump Station (Old WWTP Site) (“Point of Delivery”). Emergency failures of pressure or transmission due to main transmission line breaks, power failures, flood, fire, earthquake or other catastrophe, act or any cause beyond the control of the County or the Town shall excuse the County or the Town that impede the delivery of Sewage from the Main Clifton Forge Pump Station from this provision for such reasonable period of time as may be necessary to restore service.

- f. *Effluent quality.* The County is wholly responsible for actual operation of the County's Lower Jackson River Regional Wastewater Treatment System and for treating the Sewage to applicable effluent quality standards.
  - g. *Industrial pretreatment.* The Town agrees to adopt and/or maintain in force ordinances, regulations, and policies required by state and federal regulations relating to sewer or effluent quality, including but not limited to industrial pretreatment requirements consistent with the County's discharge permit for the Lower Jackson River Regional Wastewater Treatment Plant.
2. TERM OF AGREEMENT. The term of this Agreement shall begin on the Commencement Date first written above and shall continue until the end of the fifth (5<sup>th</sup>) fiscal year thereafter. This Agreement shall automatically renew for successive one-year terms unless one Party gives notice to the other of its intent to terminate at least ninety (90) days before the end of any fiscal year.
3. RATES.
- a. *Rate requirement.* The County agrees to set, and the Town agrees to pay, amounts for the Services set by the Board of Supervisors which shall be calculated as set forth herein. The Parties agree that such amounts will be fair, reasonable, and uniform.
  - b. *Budgeted annual cost & rate formula.* As part of its annual budgeting process, the County will develop an annual budget anticipating the costs to provide the Town the Services for the next fiscal year.
  - c. *The Formula.* The Parties have agreed to a methodology (the "Formula") for setting the Rates to be charged the Town. The Formula is attached to this Agreement as **Exhibit A**.
  - d. The County Administrator will furnish a copy of the proposed budget to the Town by March 15 preceding the start of the Fiscal Year to which the proposed budget applies. The actual Rate shall be set by the Board of Supervisors as part of its annual budget process, and shall be set in accordance with the Formula. If a Rate is not set by the Board of Supervisors for any particular fiscal year, the Rate for the previous fiscal year shall continue for such fiscal year; provided, however, that upon written notice to the Board of Supervisors by the Town that a Rate has not been timely set, the Board shall forthwith and no later than thirty (30) days thereafter, set a Rate for the remainder of such fiscal year in accordance with the Formula set forth in this section.
  - e. At the end of each fiscal year the County will compile its actual Operation and Maintenance costs for such fiscal year and report the compilation to the Town within ninety (90) days of the end of the fiscal year. The Town will have thirty (30) days to review such compilation and, on the Town's request made within such period, to review the County's books and records relating to Operation and Maintenance costs for such fiscal year. The County will cooperate in providing the Town the information requested by the Town to conduct such review. The Parties will adjust the Rate applicable in any current fiscal year, beginning with

the month of January, to compensate for any variation between the budgeted Rate and the actual cost of Operation and Maintenance for the previous fiscal year.

4. PAYMENTS, LATE FEES, AND NOTICES.

a. *Billing Procedure.* The County agrees to furnish to the Town by the 10th day of each month invoices for the monthly rate due under section 3.c. The Town shall pay such invoice no later than the 25<sup>th</sup> day of each month in which an invoice is received from the County. Failure to send such invoice shall not excuse the requirement of payment, but no interest or late fees shall be charged until such invoice is sent to the Town.

b. *Notices.* All notices under this Agreement, including invoices and remittances, shall be sent to:

FOR THE TOWN:

Town of Clifton Forge, Virginia  
547 Main Street  
Clifton Forge, Virginia 24422  
Attn: Ms. Darlene Burcham, Town Manager

FOR THE COUNTY:

Alleghany County, Virginia  
9212 Winterberry Avenue  
Covington, Virginia 24426  
ATTN: County Administrator

c. *Late fees.* Billing statements for which full payment is not received by the County within thirty (30) days of the date of billing shall be considered delinquent. The County shall notify the Town in writing of all such delinquencies, and amounts unpaid shall accrue interest at the rate of four percent (4%) per year until paid.

5. CAPITAL CONTRIBUTIONS FOR UPGRADES. If reconstruction or upgrades are required to the System as a result of catastrophe, force majeure, act of God, or changes to state or federal regulatory requirements, such upgrade costs shall be shared ratably between the Town, the County, and other users of the System, including but not necessarily limited to the Town of Iron Gate.

6. METERED FLOWS: For billing purposes, Sewage flows from the Town shall be measured utilizing a 12-inch ultrasonic flow meter located on the discharge force main from the Main Clifton Forge Pump Station (Old CF WWTP). For purposes of determining percentage of use of certain system components as allocated in the Formula, total metered system flows and individual metered flows shall be recorded monthly by the County for all metered areas of the system and computed in accordance with the Formula to allocate the Parties' percentage of use. All flow metering equipment utilized for these purposes shall be verified regularly and periodically calibrated by the County and/or the contract operator of the System in accordance with manufacturer's recommendations.

7. FAILURE TO PROVIDE THE SERVICES. The County shall, at all times, operate and maintain its System in an efficient manner and will take such action as may be necessary to provide the Services required by the Town as set out in this Agreement. The County shall remedy temporary or partial failures to provide the Services with all practical dispatch. In the event of any shortage or outage of wastewater service over an extended period of time, the treatment of wastewater for the Town shall be reduced or diminished in the same ratio or proportion as the reduction to County's other consumers.
8. TOWN SERVICE AREA. The service area for the Town of Clifton Forge will be all areas within its corporate limits. The Town Service Area can be expanded on a case by case basis to users outside of its corporate limits by comprehensive plan amendment or commission permit as set forth in Va. Code § 15.2-2232 or relevant provisions of the Alleghany County Code.
9. DEFINITIONS. **[Intentionally Left Blank]**
10. DEFAULT. The provisions set forth in this Agreement shall govern the rights and responsibilities of the County and the Town upon the termination of this Agreement or in the event of any material default is not cured within a reasonable time (if such time period is not specifically set out herein). In the event the County is in material breach of this Agreement and fails to cure such material breach within thirty (30) days of receiving written notice thereof from the Town, or if such breach cannot reasonably be cured within thirty (30) days, fails to commence to cure such material breach within ten (10) days and continues with diligence to cure such material breach, then the Town shall have the right to terminate this Agreement, after which the County shall be paid for all wastewater services provided through the date the termination becomes effective.
11. MISCELLANEOUS PROVISIONS.
  - a. *Integration.* This Agreement, including the exhibits hereto, constitutes the full and complete agreement of the Parties respecting its subject matter, and any prior or contemporaneous agreements or understandings, written or oral, are hereby merged into and superseded by the provisions of this Agreement. This Agreement may only be amended or supplemented by a subsequent writing of equal dignity except where expressly set forth herein. This Agreement may not be assigned by a Party without the prior written consent of the other Party.
  - b. *No covenants of officials.* No covenant, agreement or obligation contained in this Agreement shall be deemed to be a covenant, agreement or obligation of any present or future director, officer, employee, council member, supervisor or agent of the Town or the County in his or her individual capacity, and neither County nor Town officials nor any officer, employee, council member, supervisor or agent thereof executing this Agreement or any related instrument shall be liable personally on this Agreement or such instrument or be subject to any personal liability or accountability by reason of the execution and delivery thereof. No director, officer, employee, council member, supervisor or agent of the Town or the County shall incur any personal liability with respect to any other action taken by him or her pursuant to this Agreement or any of the transactions contemplated hereby, provided he or she acts in good faith.

- c. *Not a pledge of full faith and credit.* Any obligation of the Town or County to pay, set aside, or otherwise appropriate funds for performance of this Agreement shall be construed to be subject to appropriation, and shall not be construed in derogation of Article VII § 10 of the Virginia Constitution. The obligations of the Town and County under this Agreement are not general obligations of the Town or the County but are limited obligations payable solely from, and to be performed solely to the extent of, the revenues and receipts derived by the Town's and County's respective wastewater enterprise funds, as defined and kept in accordance with generally accepted principles of government accounting.
- d. *Rule of construction as to dates.* If any action is required to be performed, or if any notice, consent or other communication is given, on a day that is a Saturday or Sunday or a legal holiday in the Commonwealth of Virginia, such performance shall be deemed to be required, and such notice, consent or other communication shall be deemed to be given, on the first business day following such Saturday, Sunday or legal holiday. Unless otherwise specified herein, all references in this Agreement to a "day" or "days" shall refer to calendar days and not business days.
- e. *Choice of law.* This Agreement shall be construed according to the laws of the Commonwealth of Virginia without regard to its principles of conflicts of laws. The Parties consent to exclusive venue and jurisdiction in the Circuit Court for Alleghany County, Virginia, and shall not file any suit in any other court.
- f. *Attorney's fees.* The Parties agree that if any Party pursues legal action to enforce the terms of this Agreement, the American Rule shall apply and each Party shall bear its own attorneys' fees and expert costs and no fee shifting shall occur.
- g. *Drafter & Severability.* This Agreement has been jointly drafted by the Parties, and is to be construed as jointly drafted and not be construed against either of the Parties as the drafter. This Agreement is severable, and if any provision is found to be invalid by any court of competent jurisdiction, the remainder shall survive. The section and paragraph headings in this Agreement are for convenience of reference only and do not modify or restrict any provisions hereof and shall not be used to construe any provisions of this Agreement.
- h. *Covenant of authority.* All Parties warrant that the signatories below have full authority, and have undertaken such legal actions as may be necessary to ensure such authority, to bind the entities of which they are representatives to the full extent permitted by law. The respective resolutions of the Board of Supervisors of Alleghany County and the Town Council of the Town of Clifton Forge approving this Agreement are attached hereto as **Exhibit B** and **Exhibit C**, and made a part hereof as if set forth at length. This Agreement may be executed by facsimile, electronic or original signature of the Parties and in counterparts which, assuming no modification or alteration, shall constitute an original and when taken together, shall constitute one and the same instrument.
- i. *Time of the essence.* Time is of the essence of all obligations set forth herein for which a time is stated.

- j. *Waiver.* The failure of either Party to this Agreement to insist upon strict compliance with any term herein shall not be construed to be a waiver of that requirement.
- k. *Assignment of obligations.* Any obligation under this Agreement may be assigned to a third party with the prior written consent of both Parties and upon such terms as may be set forth in such consents.
- l. *County Attorney approval.* This Agreement has been approved as to form by the County Attorney of Alleghany County, Virginia. Any amendment, except as to the persons and addresses set out in Section 4.b, that is not approved as to form by the County Attorney is void and of no force and effect.

**WITNESS THE FOLLOWING SIGNATURES AND SEALS:**

FOR ALLEGHANY COUNTY, VIRGINIA:

/s/ \_\_\_\_\_ Date: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Approval as to Form:

/s/ \_\_\_\_\_  
County Attorney

and

FOR THE TOWN OF CLIFTON FORGE, VIRGINIA:

/s/ \_\_\_\_\_ Date: \_\_\_\_\_

Carl Brinkley, Mayor

Approval as to Form:

/s/ \_\_\_\_\_  
Special Attorney to the Town

*[SIGNATURE PAGE TO WASTEWATER SERVICE AGREEMENT BY AND BETWEEN ALLEGHANY COUNTY, VIRGINIA AND THE TOWN OF CLIFTON FORGE VIRGINIA]*

# ALLEGHANY COUNTY / CLIFTON FORGE 2016 WASTEWATER AGREEMENT

## FORMULA & COST DISTRIBUTION NOTES

CALCULATION DATE:

05/20/16

FISCAL YEAR:

2016-17

- 1 APPLICATION OF GRANTS / SOFT COSTS:** Application and proportional distribution of specific grant funds received, as well as the distribution of soft costs, including basic engineering, CM / Inspection, and bond counsel, for constructed components are not included in the revised rate calculation. It was determined that including a distribution of these items is of limited value to determine rates since remaining annual debt service has to be paid regardless of how these items are applied. Notable exceptions for distribution of basic engineering costs for components that were designed, but not included in final construction costs, are detailed in Notes #6 and #7 below.
- 2 SYSTEM SCHEMATIC / APPLICATION OF SYSTEM FLOWS:** A revised system schematic was developed on 03/07/16 during Mediation discussions. This schematic indicates percentages of use for specifically identified facility components based on latest 3-year rolling flow averages for AC and CF. It should be noted that IG flows, although pertinent to total system flows, are not pertinent to new AC/CF agreement or revised bulk wastewater rate methodology since AC's settlement with IG resulted in fixed monthly payments for both debt and O&M expenses.
- 3 SYSTEM FLOWS / 3- YEAR ROLLING AVERAGES:** In general for FY 2017, based on 3-year rolling averages for CY's 2013 - 2015, CF accounts for approximately 77% and AC accounts for approximately 23% of total flows after IG's flows are deducted. These percentages have been applied as applicable to shared use facilities, with one exception as detailed in Note #4 below.
- 4 EXCEPTION TO SHARED USE PERCENTAGE:** The flow percentage breakdown described in Note #3 is applied to shared use components of LJR facilities constructed except for the remaining CF debt, which is essentially associated with past upgrades to the old (now demolished) CF WWTP and the existing EQ basins located adjacent to the new CFPS. During settlement negotiations, CF agreed to reduce AC's share of debt service for the CF SRF 2002 Loan by 5%, thereby adjusting percentage shares to 18% for AC and 82% for CF for that portion of debt service only. This debt share is applied to bulk rates after distribution of constructed component costs.
- 5 IG PAYMENT DEDUCTED FROM TOTAL ANNUAL DEBT & O&M COSTS:** Annual payment for FY17 is deducted from total debt service and O&M costs before distributing remaining costs to AC & CF. IG's total annual payment (\$151,829) is broken out as \$23,267 for debt service and \$128,562 for O&M, which is paid in 12 equal monthly installments.

# ALLEGHANY COUNTY / CLIFTON FORGE 2016 WASTEWATER AGREEMENT

## FORMULA & COST DISTRIBUTION NOTES

CALCULATION DATE:

05/20/16

FISCAL YEAR:

2016-17

- 6 FORK FARM ROAD BRIDGE ENGINEERING / UTILITY RELOCATION COSTS REMOVED / APPLIED TO AC:** Total debt service associated with bridge engineering (\$605,666) and the relocation of a utility line for bridge construction (\$35,432), which are included with VRA #1 loan principal, are deducted from total debt before distributing remaining costs because construction costs for these items cannot be distributed proportionally against other facility component costs. These costs are then applied 100% back to AC's bulk rate.
- 7 BASIC ENGINEERING FOR COMPONENTS DESIGNED BUT NOT CONSTRUCTED REMOVED / APPLIED TO AC:** To determine AC's share of basic engineering costs associated with components designed as part of the project but not constructed (Sharon PS / FM and Wesgate PS), Preliminary (Concept Level) Construction Cost Estimates from AECOM's 2007 PER for the LJR project were utilized. These concept estimates are relatively close to actual final construction costs for other components and, thus, should be relatively proportional to overall project cost. These costs are then applied 100% to AC's share of debt service for bulk rate calculation.
- 8 EXCEPTION TO O&M COSTS:** Costs associated with routine O&M for the 3 existing CF pump stations are deducted from total O&M costs. These costs were derived by Contract Operator (ESS) using the following parameters: 0.5 hr per station per day for daily station checks @ \$32.06 per hour (\$17,553 / year) + 2 hrs per station per month for routine maintenance activities @ \$32.06 per hour (\$2,308 / year) = \$19,861). These costs are then applied 100% back to CF's bulk rate.
- 9 DEBT SERVICE & O&M COSTS DISTRIBUTED:** Using distributions shown on Tables 2A & 2B, proportional costs are applied to remaining shared annual system costs (debt service and O&M budget) to determine a bulk rate per 1000 gallons based on 3-year rolling average of annual system flows as noted in Note #3 above, with exceptions as noted elsewhere.

**ALLEGHANY COUNTY / CLIFTON FORGE 2016 WASTEWATER AGREEMENT  
FORMULA INPUTS SUMMARY**

<b>DATE OF CALCULATION</b>	<b>05/20/16</b>			
<b>FISCAL YEAR</b>	<b>2016-17</b>			
<b>FINANCIAL DATA</b>				
<b>DEBT BALANCES</b>				
<b>LOAN</b>	<b>BALANCE</b>	<b>TERM</b>	<b>END DATE</b>	<b>ANNUAL PAYMENT</b>
CF SRF 2002	\$ 1,759,875.00	20 YR	FY 23*	\$ 270,750.00
VRA #1	\$ 2,130,109.37	20 YR	FY 29	\$ 170,409.00
VRA #2	\$ 3,508,519.20	20 YR	FY 32	\$ 219,282.46
USDA / RD	\$ 2,157,207.17	40 YR	FY 50	\$ 95,316.00
<b>TOTAL ANNUAL DEBT SERVICE</b>				\$ 755,757.46
<b>ANNUAL O&amp;M BUDGET</b>				\$ 883,938.71
<b>TOTAL SYSTEM COST</b>				\$ 1,639,696.17
<b>IG PAYMENT - DEBT PORTION</b>				\$ 23,266.90
<b>IG PAYMENT - O&amp;M PORTION</b>				\$ 128,562.22
<b>ROUTINE O&amp;M FOR 3 ORIGINAL CF PS'S</b>				\$ 19,861.00

\*NOTE: Final payment of \$135,375 due September 2022.

**ALLEGHANY COUNTY / CLIFTON FORGE 2016 WASTEWATER AGREEMENT  
FORMULA INPUTS SUMMARY**

<b>DATE OF CALCULATION</b>	<b>05/20/16</b>
<b>FISCAL YEAR</b>	<b>2016-17</b>
<b>FLOW DATA</b>	
<b>3 YEAR AVERAGE FLOWS (1000 GAL)</b>	
<b>CALENDAR YEARS</b>	<b>2013-2015</b>
<b>SYSTEM TOTAL</b>	<b>378,526.13</b>
<b>LESS IG FLOW</b>	<b>49,084.69</b>
<b>BALANCE</b>	<b>329,441.44</b>
<b>AC</b>	<b>74,917.43</b>
<b>PERCENT OF AC/CF FLOWS</b>	<b>22.74%</b>
<b>ROUND TO NEAREST PERCENT</b>	<b>23%</b>
<b>CF</b>	<b>254,524.07</b>
<b>PERCENT OF AC/CF FLOWS</b>	<b>77.26%</b>
<b>ROUNDE TO NEAREST PERCENT</b>	<b>77%</b>

ALLEGHANY COUNTY / CLIFTON FORGE 2016 WASTEWATER AGREEMENT  
ANNUAL SEWER FLOWS

CALCULATION DATE: 05/20/16

FISCAL YEAR: 2016-17

SUMMARY - CALENDAR YEAR FLOWS

CY ANNUAL FLOWS	TOTAL SYSTEM FLOWS					TOTAL SYSTEM PERCENTAGES			AC / CF (FOR DISTRIBUTED COSTS)				
	CF	Selma	Cliffondale	Westgate	AC	Total IG PS	IG	CF % OF TTL FLOW	IG % OF TTL FLOW	AC % OF TTL FLOW	COMBINED FLOW (AC + CF)	CF	AC
CY 2013	273,556,838	35,746,137	34,221,188	7,720,273	77,687,588	60,852,087	53,132,414	67.85%	13.14%	19.21%	351,244,436	77,88%	22.12%
CY 2014	235,243,150	32,511,174	28,917,747	7,559,212	66,005,288	49,298,118	41,738,906	68.68%	12.13%	19.18%	302,246,439	78.18%	21.84%
CY 2015	253,772,032	40,078,736	32,558,997	8,454,339	81,059,412	58,536,262	52,382,755	65.54%	13.53%	20.93%	334,831,444	75.79%	24.21%
CY 2016	0	0	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	0	#DIV/0!	#DIV/0!
CY 2017	0	0	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	0	#DIV/0!	#DIV/0!
CY 2018	0	0	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	0	#DIV/0!	#DIV/0!
CY 2019	0	0	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	0	#DIV/0!	#DIV/0!
CY 2020	0	0	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	0	#DIV/0!	#DIV/0!

3-YEAR CALENDAR AVERAGE FLOWS

AVERAGE ANNUAL FLOWS	TOTAL SYSTEM FLOWS					TOTAL SYSTEM PERCENTAGES			AC / CF (FOR DISTRIBUTED COSTS)					
	FISCAL YEAR	CY's	CF	Selma	Cliffondale	Westgate	AC	Total IG PS	IG	CF % OF TTL FLOW	IG % OF TTL FLOW	AC % OF TTL FLOW	COMBINED FLOW (AC + CF)	CF
FY 14-15	11-13	273,556,838	35,746,137	34,221,188	7,720,273	77,687,588	60,852,087	53,132,414	67.85%	13.14%	19.21%	351,244,436	77.88%	22.12%
FY 15-16	12-14	254,899,984	34,128,656	31,869,468	7,639,743	71,846,444	55,075,403	47,435,660	68.12%	12.68%	19.20%	326,746,438	78.01%	21.99%
FY 16-17	13-15	254,524,007	36,111,349	31,899,311	7,911,275	74,917,433	56,229,022	49,084,692	67.24%	12.97%	19.79%	329,441,440	77.26%	22.74%
FY 17-18	14-16	163,338,384	24,195,970	20,492,248	5,337,850	49,021,567	35,944,793	31,373,887	67.02%	12.87%	20.11%	212,369,961	76.92%	23.08%
FY 18-19	15-17	84,590,677	13,358,912	10,852,999	2,818,113	27,019,804	19,512,087	17,460,918	65.54%	13.53%	20.93%	111,816,481	75.79%	24.21%
FY 19-20	16-18	0	0	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	0	#DIV/0!	#DIV/0!
FY 20-21	17-19	0	0	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	0	#DIV/0!	#DIV/0!
FY 21-22	18-20	0	0	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	0	#DIV/0!	#DIV/0!

3-YEAR AVERAGE FLOWS PER 1000 GALLONS FOR FY CALCULATIONS:

AVERAGE ANNUAL FLOWS	TOTAL SYSTEM FLOWS					TOTAL SYSTEM PERCENTAGES			AC / CF (FOR DISTRIBUTED COSTS)					
	FISCAL YEAR	CY's	CF	Selma	Cliffondale	Westgate	AC	Total IG PS	IG	CF % OF TTL FLOW	IG % OF TTL FLOW	AC % OF TTL FLOW	COMBINED FLOW (AC + CF)	CF
FY 14-15	11-13	273,557	35,746	34,221	7,720	77,688	60,853	53,132	67.85%	13.06%	19.21%	351,244	77.88%	22.12%
FY 15-16	12-14	254,900	34,129	31,569	7,640	71,846	55,075	47,436	68.12%	14.72%	19.20%	326,746	78.01%	21.99%
FY 16-17	13-15	254,524	36,111	31,899	7,911	74,917	56,226	49,085	67.24%	14.85%	19.79%	328,441	77.26%	22.74%
FY 17-18	14-16	163,338	24,196	20,492	5,338	49,022	35,945	31,374	67.02%	14.75%	20.11%	212,366	76.92%	23.08%
FY 18-19	15-17	84,591	13,359	10,853	2,818	27,020	19,512	17,461	65.54%	15.12%	20.93%	111,816	75.79%	24.21%
FY 19-20	16-18	0	0	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	0	#DIV/0!	#DIV/0!
FY 20-21	17-19	0	0	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	0	#DIV/0!	#DIV/0!
FY 21-22	18-20	0	0	0	0	0	0	0	#DIV/0!	#DIV/0!	#DIV/0!	0	#DIV/0!	#DIV/0!



**ALLEGHANY COUNTY / CLIFTON FORGE 2016 WASTEWATER AGREEMENT**

CALCULATION DATE:

05/20/16

FISCAL YEAR:

2016-17

**TABLE 1A - BULK WASTEWATER RATE FORMULA**

<b>TOTAL ANNUALIZED DEBT SERVICE</b>	<b>\$ 755,757</b>
--------------------------------------	-------------------

- Less IG Payment (Debt Portion)
- Less CF SRF 2002 Payment (18% AC / 82% CF)
- Less Engineering for Fork Farm Road Bridge (100% AC)
- Less Utility Relocation Near Bridge (100% AC)
- Less Engineering for Sharon PS/FM & Wesgate PS (100% AC)

\$	23,267
\$	270,750
\$	30,283
\$	1,772
\$	11,442
<b>\$</b>	<b>337,514</b>

**SUBTOTAL**

<b>Remaining Annual Debt Service to Distribute*</b>	<b>\$ 418,244</b>
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<b>TOTAL ANNUALIZED O&amp;M COST</b>	<b>\$ 883,939</b>
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- Less IG Payment (O&M Portion)
- Less Routine O&M for CF's Existing Pump Stations (3)

\$	128,562
\$	19,861
<b>\$</b>	<b>148,423</b>

**SUBTOTAL**

<b>Remaining Annual O&amp;M Cost to Distribute*</b>	<b>\$ 735,515</b>
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<b>TOTAL ANNUAL SYSTEM COSTS</b>	<b>\$ 1,639,696</b>
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\*See Tables 2A & 2B for Costs distributed by (a) component construction cost and (b) percentage of component use.

**ALLEGHANY COUNTY / CLIFTON FORGE 2016 WASTEWATER AGREEMENT**

CALCULATION DATE: 05/20/16

FISCAL YEAR: 2016-17

**TABLE 1B - CALCULATION OF EFFECTIVE BULK RATE FOR WASTEWATER SERVICE PER 1000 GALLONS**

DISTRIBUTED SYSTEM COSTS*	AC	CF	SUBTOTAL	IG	TOTAL
Annual Debt Share	\$ 113,122	\$ 305,122	\$ 418,244	\$ -	\$ 418,244
Annual O&M Share	\$ 198,934	\$ 536,581	\$ 735,515	\$ -	\$ 735,515
<b>SUBTOTAL</b>	<b>\$ 312,056</b>	<b>\$ 841,703</b>	<b>\$ 1,153,759</b>	<b>\$ -</b>	<b>\$ 1,153,759</b>

\*See Tables 2A & 2B for Costs distributed by (a) component construction cost and (b) percentage of component use.

UNDISTRIBUTED COSTS / CONTRIBUTIONS	AC	CF	SUBTOTAL	IG	TOTAL
Iron Gate Annual Payment (Debt Share)	\$ -	\$ -	\$ -	<span style="border: 1px solid black; padding: 2px;">\$ 23,267</span>	\$ 23,267
Iron Gate Annual Payment (O&M Share)	\$ -	\$ -	\$ -	<span style="border: 1px solid black; padding: 2px;">\$ 128,562</span>	\$ 128,562
CF SRF 2002 Debt	\$ 48,735	\$ 222,015	\$ 270,750	\$ -	\$ 270,750
Fork Farm Bridge Engineering	\$ 30,283	\$ -	\$ 30,283	\$ -	\$ 30,283
Fork Farm Bridge Utility Relocation	\$ 1,772	\$ -	\$ 1,772	\$ -	\$ 1,772
Sharon PS/FM & Wesgate PS Engineering	\$ 11,442	\$ -	\$ 11,442	\$ -	\$ 11,442
Routine O&M for Pre-Existing CFPS (3)	\$ -	\$ 19,861.17	\$ 19,861	\$ -	\$ 19,861
<b>SUBTOTAL</b>	<b>\$ 92,232</b>	<b>\$ 241,876</b>	<b>\$ 334,108</b>	<b>\$ 151,829</b>	<b>\$ 485,937</b>

<b>TOTAL ANNUAL SYSTEM COSTS</b>	<b>\$ 404,288</b>	<b>\$ 1,083,579</b>	<b>\$ 1,487,867</b>	<b>\$ 151,829</b>	<b>\$ 1,639,696</b>
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EFFECTIVE ANNUAL WASTEWATER RATE	AC	CF	SUBTOTAL	IG	TOTAL
3-YR AVERAGE ANNUAL FLOW (1000 GAL)	<span style="border: 1px solid black; padding: 2px;">74,917</span>	<span style="border: 1px solid black; padding: 2px;">254,524</span>	329,442	<span style="border: 1px solid black; padding: 2px;">49,085</span>	378,526
PERCENTAGE OF TOTAL AC/CF FLOW	<span style="border: 1px solid black; padding: 2px;">23%</span>	<span style="border: 1px solid black; padding: 2px;">77%</span>	100%	N/A	N/A

<b>RATE PER 1000 GAL</b>	<b>\$ 5.40</b>	<b>\$ 4.26</b>	<b>\$ 3.09</b>		
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ALLEGHANY COUNTY / CLIFTON FORGE REVISED WASTEWATER AGREEMENT

TABLE 2A - DISTRIBUTED INFRASTRUCTURE COSTS - ANNUAL DEBT SERVICE

CALCULATION DATE: 05/20/16

FISCAL YEAR: 2016-17

DISTRIBUTED FACILITY COMPONENT	ANNUAL DEBT SERVICE FOR DISTRIBUTION = \$ 418,244						AMOUNT TO CF
	VALUE FOR DEBT DISTRIBUTION	% OF DEBT	DISTRIBUTED DEBT	% TO AC	AMOUNT TO AC	% TO CF	
1 LJRWWTP	\$ 14,022,082	61%	\$ 255,675	23%	\$ 58,805	77%	\$ 196,870
2 CFPS / FM	\$ 2,590,400	11%	\$ 47,233	0%	\$ -	100%	\$ 47,233
3 PUMP STATIONS	\$ 3,117,459	14%	\$ 56,843	55%	\$ 31,341	81%	\$ 25,502
IGPS	\$ 956,760	31%	\$ 17,445	23%	\$ 4,012	77%	\$ 13,433
CLIFTONDALE PS	\$ 835,110	27%	\$ 15,227	23%	\$ 3,502	77%	\$ 11,725
MAIN SELMA PS	\$ 776,000	25%	\$ 14,149	100%	\$ 14,149	0%	\$ -
MINOR SELMA PS	\$ 128,000	4%	\$ 2,334	100%	\$ 2,334	0%	\$ -
SEPTAGE RECEIVING	\$ 315,000	10%	\$ 5,744	100%	\$ 5,744	0%	\$ -
WESTGATE FLOWMETER	\$ 82,080	3%	\$ 1,497	100%	\$ 1,497	0%	\$ -
CHANGE ORDER (BALANCE)	\$ 24,509	1%	\$ 447	23%	\$ 103	77%	\$ 344
PS SUBTOTAL	\$ 3,117,459	14%	\$ 56,843	55%	\$ 31,341	81%	\$ 25,502
4 FORCE MAINS	\$ 3,207,915	14%	\$ 58,492	39%	\$ 22,976	61%	\$ 35,517
IGFM	\$ 425,087	13%	\$ 7,751	23%	\$ 1,783	77%	\$ 5,968
CLIFTONDALE FM	\$ 2,104,598	66%	\$ 38,375	23%	\$ 8,826	77%	\$ 29,549
SELMA FM	\$ 678,230	21%	\$ 12,367	100%	\$ 12,367	0%	\$ -
FM SUBTOTAL	\$ 3,207,915	14%	\$ 58,492	39%	\$ 22,976	61%	\$ 35,517
<b>TOTAL DISTRIBUTED COST</b>	<b>\$ 22,937,856</b>	<b>100%</b>	<b>\$ 418,244</b>	<b>27%</b>	<b>\$ 113,122</b>	<b>73%</b>	<b>\$ 305,122</b>

ALLEGHANY COUNTY / CLIFTON FORGE REVISED WASTEWATER AGREEMENT

TABLE 2B - DISTRIBUTED INFRASTRUCTURE COSTS - ANNUAL O&M BUDGET

CALCULATION DATE: 05/20/16

FISCAL YEAR: 2016-17

DISTRIBUTED FACILITY COMPONENT	ANNUAL O&M COST FOR DISTRIBUTION = \$ 735,515					
	VALUE FOR O&M DISTRIBUTION	% OF O&M	DISTRIBUTED O&M	% TO AC	AMOUNT TO AC	AMOUNT TO CF
1 LJRWWTP	\$ 14,022,082	61%	\$ 449,626	23%	\$ 103,414	\$ 346,212
2 CFPS / FM	\$ 2,590,400	11%	\$ 83,063	0%	\$ -	\$ 83,063
3 PUMP STATIONS	\$ 3,117,459	14%	\$ 99,963	55%	\$ 55,116	\$ 44,847
IGPS	\$ 956,760	31%	\$ 30,679	23%	\$ 7,056	\$ 23,623
CLIFTONDALE PS	\$ 835,110	27%	\$ 26,778	23%	\$ 6,159	\$ 20,619
MAIN SELMA PS	\$ 776,000	25%	\$ 24,883	100%	\$ 24,883	\$ -
MINOR SELMA PS	\$ 128,000	4%	\$ 4,104	100%	\$ 4,104	\$ -
SEPTAGE RECEIVING	\$ 315,000	10%	\$ 10,101	100%	\$ 10,101	\$ -
WESTGATE FLOWMETER	\$ 82,080	3%	\$ 2,632	100%	\$ 2,632	\$ -
CHANGE ORDER (BALANCE)	\$ 24,509	1%	\$ 786	23%	\$ 181	\$ 605
PS SUBTOTAL	\$ 3,117,459	14%	\$ 99,963	55%	\$ 55,116	\$ 44,847
4 FORCE MAINS	\$ 3,207,915	14%	\$ 102,864	39%	\$ 40,404	\$ 62,459
IGFM	\$ 408,510	13%	\$ 13,631	23%	\$ 3,135	\$ 10,496
CLIFTONDALE FM	\$ 2,022,524	66%	\$ 67,485	23%	\$ 15,522	\$ 51,964
SELMA FM	\$ 651,781	21%	\$ 21,748	100%	\$ 21,748	\$ -
FM SUBTOTAL	\$ 3,207,915	14%	\$ 102,864	39%	\$ 40,404	\$ 62,459
<b>TOTAL DISTRIBUTED COST</b>	<b>\$ 22,937,856</b>	<b>100%</b>	<b>\$ 735,515</b>	<b>27%</b>	<b>\$ 198,934</b>	<b>\$ 536,581</b>

PREPARED BY DRAPER ADEN ASSOCIATES

PROJECT NUMBER: B11101B-10A

XLS - 16 0520 - AC-CF Sewer Rates Worksheet - FY 2017 - LMK

PRINT DATE: 5/20/2016

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ALLEGHANY COUNTY / CLIFTON FORGE WASTEWATER AGREEMENT  
ANNUAL WASTEWATER RATE SUMMARY

CALCULATION DATE: 05/20/16

FISCAL YEAR: 2016-17

TOTAL ANNUAL DEBT SERVICE	AC	CF	IG	TOTAL
IG Payment (Debt Portion)	\$ -	\$ -	\$ 23,267	\$ 23,267
CF SRF 2002 Payment (18% AC / 82% CF)	\$ 48,735	\$ 222,015	\$ -	\$ 270,750
Engineering for Fork Farm Road Bridge (100% AC)	\$ 30,283	\$ -	\$ -	\$ 30,283
Utility Relocation Near Bridge (100% AC)	\$ 1,772	\$ -	\$ -	\$ 1,772
Engineering for Sharon PS/FM & Wesgate PS (100% AC)	\$ 11,442	\$ -	\$ -	\$ 11,442
Remainder Distributed by Proportional Use: <input type="text" value="23%"/> AC <input type="text" value="77%"/> CF	\$ 113,112	\$ 305,121	\$ -	\$ 418,233
<b>SUBTOTAL</b>	<b>\$ 205,344</b>	<b>\$ 527,136</b>	<b>\$ 23,267</b>	<b>\$ 755,747</b>

TOTAL ANNUAL O&M BUDGET	AC	CF	IG	TOTAL
IG Payment (O&M Portion)	\$ -	\$ -	\$ 128,562	\$ 128,562
Routine O&M for CF's Pre-Existing Pump Stations (3)	\$ -	\$ 19,861	\$ -	\$ 19,861
Remainder Distributed by Proportional Use: <input type="text" value="23%"/> AC <input type="text" value="77%"/> CF	\$ 198,934	\$ 536,581	\$ -	\$ 735,515
<b>SUBTOTAL</b>	<b>\$ 198,934</b>	<b>\$ 556,442</b>	<b>\$ 128,562</b>	<b>\$ 883,939</b>

**TOTAL ANNUAL SYSTEM COST**      \$ 404,278    \$ 1,083,578    \$ 151,829    \$ 1,639,685

**TOTAL ANNUAL SYSTEM FLOWS**

3-Year Average Annual Flow for CY's 2013 - 2015                       

Percentage for AC/CF Proportional Use Determination                       

**EFFECTIVE RATE PER 1000 GALLONS**      \$5.40      \$4.26      N/A      N/A