

**Narrows Town Council Meeting
Strategic Planning Session #1
March 17, 2025**

Mayor Tom Spangler called the meeting to order. Council Members present were John Hale, Sara Bowles, Jonathan Creger, and John Mills. Joe Goorskey was absent.

Staff members present were Terry Nicholson and Debbie Thomas.

No attorney was present.

Mayor Tom Spangler gave the invocation.

Council and audience recited the Pledge of Allegiance.

Communications from Mayor, Council, and Staff

Terry Nicholson said he sent Scott Bortz an email to start with and that prompted Martin Jansons to call him from overseas while he was on vacation. They spoke briefly and then this morning he spoke again with Russell Jackson, who also worked for Scott Bortz, and he emailed Terry and then Terry called Scott and told him they needed to talk directly. They did talk, and Scott had Russell Jackson in the room with him at the same time. They basically still want to argue with council and were not prepared to offer any kind of monetary resolution to the problem. Terry talked to Mike Bedsaul after talking with Scott and Russell, and Mike suggested that what he would like for council to do is to appoint two members from council to discuss this. He thought John Mills and Joe Goorskey would be the most fitting, who then could sit down with Terry and talk with Scott Bortz in person and answer their questions and give them council's position to hopefully resolve this. Mike's point to council tonight was that, as he told them at last week's meeting, we really did not have grounds to pursue suing Peed and Bortz, but we did have this idea of disbarment, which we could continue to pursue. Mike thought if council was willing, that disbarment would be a reasonable thing to do. What Terry would like for council to do, if they were willing, would be to appoint those two people to work with him to try to resolve this disbarment issue and then based on that, after they have met with Scott Bortz, go ahead and approve the town proceeding with the \$31,000 change order. The town would have to pay that regardless and that was what Mike said last week to council. If council was okay with the three of them continuing to work with Peed & Bortz to try to resolve the disbarment issue they would hopefully reimburse the town for some of that \$31,000.

Councilman Creger asked Terry Nicholson if he was talking about himself or John Mills.

Terry Nicholson said John Mills.

Mayor Spangler said they do not need a motion to appoint those two.

Terry Nicholson said he would do it with a motion. He would do two separate motions; one to appoint the two of them to work with him to resolve the issue with Peed & Bortz about disbarment and then the second to authorize them to go ahead and sign that change order with them after they had a chance to talk with them. He still wanted to have that in their pocket.

Councilman Mills said he knew his observations were spot on because if we did not have that we had no bullets in our pistol.

Terry Nicholson said we do because this disbarment was a pretty big bullet. That was something that could really hurt them.

Councilman Mills said that was true, but he did not want them to know we were going to pay up regardless. They probably did know that.

Mayor Spangler said they knew we did not have much choice.

Councilman Creger said the town had been in a bind.

Councilman Mills said the town had been in a bind and it was frustrating.

Terry Nicholson said they were talking about Peed and Bortz coming tonight, but he did not want to give this meeting up tonight for what council needed to do, so he said we would put it off until next month. He was pushing it off until April so we could deal with it then. That was when Peed & Bortz asked if we could have a special meeting, and that was when Mike Bedsaul suggested appointing two people to do the negotiating. He thought that was the best of both worlds in that it gave council some momentum to continue this argument with them.

Councilman Mills said council members were used to eyeball-to-eyeball meetings and we had an advantage in that arena. Corresponding by email and phone made brave men out of cowards but when somebody had to look you in the eye and tell you something it made a difference, so he was all for it.

Councilman Hale made a motion to appoint Terry Nicholson, John Mills, and Joe Goorskey to discuss the issue concerning disbarment involving Peed & Bortz. Councilman Creger seconded the motion.

Ayes: Hale, Bowles, Creger, and Mills

Nays: None

Motion Carried 4-0

Councilman Creger made a motion to approve the change order with Peed & Bortz upon completion of the meeting between Terry Nicholson, John Mills, Joe Goorskey, and Peed & Bortz. Councilmember Bowles seconded the motion.

Ayes: Hale, Bowles, Creger, and Mills

Nays: None

Motion Carried 4-0

New Business

Kevin Byrd, Executive Director of the New River Valley Regional Commission, introduced himself and stated he was in attendance at the meeting to discuss strategic planning for the Town of Narrows. The town was operating in a position of strength coming into a discussion tonight, where we had a well-organized town staff and a great council that worked together. This was really just trying to put everything in motion for what was coming in the next 12, 18, 24 months or even longer. He thought this was probably the most important kind of conversation they could have with local governments who had limited resources. He had given them some basic facilitation tools called “slickies”. They were pieces of plastic that you could pull apart and write on them, and they stick to almost anything. He was curious about what Council members would say about the Town of Narrows. He wanted them to imagine they were somewhere far afield, and they wanted to explain Narrows to someone that did not know where Giles County was in Virginia. They definitely did not know where Narrows was, so what were two things they would tell somebody when they were asked where they were from, and they said Narrows. What would they tell them about Narrows? He asked them to write one item per slicky and he would place them on the wall in council chambers.

Councilman Mills said Narrows had the New River and two trout streams and the best people anywhere in America.

Mayor Spangler said Narrows was a sports-oriented town in a community of caring people.

Councilman Creger said he thought the story about Narrows getting its name from the New River was very interesting. That appealed to people, history buffs specifically, and he thought outdoor adventure really described Narrows because we had wonderful hunting, fishing, hiking, and camping, so it was a great place. If someone participated in one of those sports, they would have a great time.

Kevin Byrd said that those were things they could do year-round.

Councilmember Bowles said Narrows was a tight knit, supportive community. Her second item was when she talked to people in her hometown, they said they had been to Narrows and her question was always “did you turn off of Route 460?”, because they think they came to Narrows when they passed Burger King. She then had to go through the explanation that they really did not see Narrows. It was important to her to get people off Route 460 to come across the bridge.

Councilman Hale said he said things similar to what other people had said and those were great outdoor recreation activities like hunting, swimming, and fishing. He also said Narrows was a small friendly Appalachian town.

Kevin Byrd said Council members were all on the same theme of a tight community and friendly people. He thought that really set Narrows apart. He had been into fishing since he was little. He always had an interest in learning how to fly fish, so he came and taught himself over on Wolf Creek, because there were not as many trees to get tangled up in. It was nice and stocked and for him that was where it all began.

Councilman Creger said he thought they were all on the same page because he thought that was truly what the town had to offer and that was what we needed to make their town more appealing and to make it a place people wanted to come visit.

Kevin Byrd said a lot of folks in the community development world that interfaced with Virginia in other states had heard of Floyd because of the Friday night jamboree so when they thought of Floyd that was the cultural destination of the New River Valley. Narrows to them in their community development world was this outdoor recreation place that had all those assets and here we were building toward that. Narrows had two trout streams, the river, and trails. It was unbelievable what we had to work with.

Councilman Creger said he had not lived here his whole life, but had been coming here his whole life to visit his parents. When he was a little kid, he remembered all the shops being full, the B&B, the Rexall drugstore, he remembered all of that. His uncle was the town barber. People liked to say Route 460 ruined Narrows because you used to have to come right into Narrows. He did not believe that. He had been to places like Floyd and all over the world because he was in the Navy for twenty years and had seen these little towns. If you wanted to be there, it was because you went there, it was not because the road just happened to take you through there and you stopped. There was no reason we could not have enough stuff in Narrows that people would turn off Route 460 and come here and do something.

Kevin Byrd said he agreed with him completely. Communities that had a four lane certainly had a competitive advantage in certain economic arenas and you saw those larger industries in the county taking advantage of that. Towns across this national landscape that distinguish themselves were the ones that really built a high-quality community experience. He always loved the time he spent in Narrows. He was glad that council all had some similarity of appreciation of the assets and the tight-knit community. This next piece was more about serving government, serving the people. He mentioned that Narrows had limited resources, and we had to plan for how to spend those. The town had really good staff and they were extremely well organized. Coming into this discussion, Terry knew what the town needed in the long run, and he thought it was more about getting some feedback from council on some prioritization. What we would do was Terry would introduce a topic area and a few capital projects underneath those. Terry had some one-pagers for each project to give them the background, and then if there were things within that topic area that he had not listed we would capture those with the slickies and make note of that. Things that need additional research we may need to capture as we go through. There were seven or eight topic areas to go through.

Terry Nicholson said that each council member received a packet that were the one-pagers that Kevin Byrd was talking about. This was to give council a preliminary feel for the budget for the coming fiscal year. Staff were in the process of preparing that now; department heads had their individual budgets and were making their recommendations to him so he could put together the expenditure side. He had already been working on the revenue side of the budget. He did want to let council know tonight that in that preparation, this was going to be a tight year for the town because the real estate assessments would not go up this year. The reassessments were being done this year and would be completed in time for next fiscal year's budget. We were anticipating a very significant increase in the real estate values based on that reassessment over the last six years. That would give us an increase in income, and we could then adjust the tax rate to get to the revenue stream that we wanted to be at. But this year he expected that the income was not going to go up a whole lot from where it was last year. The unfortunate thing was the expenditures were increasing significantly. We have already been told the health insurance for employees was going to increase 11.9%, so that was going to be a significant increase and would affect personnel costs. Other things that would be increasing were IT and electricity, for instance.

It would be going up or had gone up since last year's budget, so we had a number of things like that we would have to adjust for in the budget, so he wanted Council to be aware of that.

We had been talking since last year that we would be planning to increase the water and sewer rates to deal with the enterprise fund, and the significant improvements that we needed to make to the collection system for sewer, the wastewater treatment plant, the water distribution system, and the replacement we were doing to all the galvanized lines. We knew we were going to be spending some significant money on those things as well. He thought continuing those step increases for the next five years, which we had planned to do, and he was certain we were going to need to do that again this year. We could talk about the percentage that we go up this year as we get a little firmer in what the expenditures were going to be on that side. He just wanted to give Council that background on the general budget itself.

On the one-page items, when he and Kevin talked about planning this session we were doing tonight, Kevin made this suggestion about putting together these one-page summaries of the things we had been talking about, which were going to be a significant cost to the town over the next 5-10 years. We would talk about those tonight and would put some priorities on them. Based on what we talked about tonight, Terry would turn that information over to Davenport, their financial advisors, and Davenport would be here with council on March 31st to walk them through some scenarios of how we might pay for these projects, planning for budgeting in the future, and planning for what kind of debt service we might need to take on for those kinds of things.

The big elephant in the room was the wastewater treatment plant, and figuring out what we were going to do there. The town had done the preliminary engineering study already with Thompson and Litton. First of all, that study looked at regionalizing countywide, and when that study determined that it was not financially feasible to do countywide, it did identify that Narrows and Pearisburg were in the same boat with each other. Specifically, both of their existing plants were over seventy years old and were at the end of their expected lifespan. Narrows' plant itself sat in the floodplain and a good part of the property was in the regulatory floodway, which meant we could not build anything in that floodway, so we were landlocked. We have Wolf Creek, the New River, the Norfolk Southern Railroad, and Route 61 that surround that property, so there was nowhere to go to get out of the floodplain. The recommendation that was made by Thompson and Litton was that we should look at turning the Narrows site into a pumping station. The collection system would stay in place, and we would collect everything there, and then would pump it over to Pearisburg. Narrows would partner with Pearisburg to build a new plant. Some of the advantages were that then we would only be operating one plant instead of two, only having to staff one plant instead of two, and all the regulatory issues with DEQ would only be at one plant. There were some obvious economies of scale there in combining those two plants. The obvious disadvantage of that was the upfront cost; it was going to be expensive to build. T&L did compare in the preliminary engineering report what it would cost if we were to just refurbish the Narrows plant, and so that was option one on the first page of the Strategic Planning Session Topics. To refurbish the plant, we were probably looking at around \$10 million for the town's part of that. He wanted council to realize that would likely only buy them 10-15 years because, again, the plant was 70 years old, so all of that infrastructure that was there, if we just kept refurbishing it, we would likely extend it for another 15 years or so. But then after 15 years we would be in the same boat again.

Councilman Mills asked if we had to spend 10 million to get the 10 or 15 years.

Terry Nicholson said yes, if we chose to keep operating there. To refurbish the existing plant and continue operating it as it was, would cost them about \$10 million to bring that up to the codes we would need to get it up to current standards. We would talk some more about this as we went through. We have the rotating biological contactors, which we were likely going to have to replace anyway, no matter which way we went, because those needed to be done now, and part of the whole operation of the plant was the way those biological contactors worked.

Mayor Spangler said, bottom line, we were talking about spending a million dollars a year for a band aid.

Terry Nicholson said yes.

Councilman Hale said that was the modern way of doing things.

Terry Nicholson said one of the other things that he wanted them to realize was that this can had been kicked down the road to them to this point they were at now, and we were at the point where he was telling them they could not keep ignoring this. We could try, but at some point, something was going to happen to that plant where we could not fix it, and in order to build a plant, we were talking three to five years at one of the fastest speeds we could expect it to happen. We could not just wait for this thing to fail and then say okay we would build a new one now.

Councilman Creger said we were only talking two real options for the plant overall. He thought it would be completely irresponsible to try to just refurbish it and try to limp it along and make it last for a little bit. He realized the cost for building a new plant was much greater, but it seemed to be the more responsible thing. If we had this shared plant, we could staff that between the two towns and give them kind of a bigger workforce and a little bit less on the town employee-wise as far as salaries. He firmly believed that was the best plan of the two. His only hesitancy, and he could be completely misinformed or could be mistaken, but he did know the feeling that he did not want the town to get shafted on the deal and guessed that was the short of it. He knew a lot of people felt that from what he had heard, and a lot of people felt like that way back when the town got shafted on the PSA deal and he did not want that. If the town could not come out even, he wanted them to come out on top.

Terry Nicholson said part of the whole program would be to define what that relationship was and how it was going to be paid for, sharing that responsibility with Pearisburg.

Councilman Mills said he thought they did get shafted and he thought they kept kicking the can down the road on too many issues. At the risk of being haughty and braggadocios, that was before this council got together. It was just a fact that they were a more formidable foe than what was here before. There were all these people that cared and were smart and were from different walks of life. This group had fostered a relationship with the Town of Pearisburg that 10 years ago would have been unheard of. They could not be in the same room with them without almost coming to fisticuffs, so the landscape has changed. He agreed with Councilman Creger's observation and here was another fact; this regional approach was in favor with the funding agencies. If you had a stand-alone project and a regional project, the regional project would get priority, so he agreed that was the way we should try to go. Another fact was if we were forced to go it alone, they needed to call someone's bluff. What were they going to do? Were they going to tell the whole town that they could not have sewer? They could show there were poor people. He was not saying that was the route to go, but was saying if somebody started leaning on them and tried to get money out of a turnip, we needed to seriously consider what we were going to do.

Terry Nicholson said he would like to go to the funding question that both of them were raising. One of the advantages we had in looking at this regional approach was exactly what John said, funders like collaboration. We also had been and were looking at this pre-flood, so we had been studying this idea for several years. When the flood happened the hazard mitigation money that FEMA brought to the table was a huge pot of money that this project fit into. We are in the process of working with Pearisburg and Thompson and Litton to apply to get this project funded through FEMA hazard mitigation funding, and that could be a substantial pot of money that may bring the town's cost down for the project. That made it much more manageable for both Narrows and Pearisburg. Pearisburg was also in the same financial situation that Narrows was in, where Davenport was telling both towns they could not afford to do this on their own, and even putting the two of them together would still be a stretch for both, so we needed to be looking at funding possibilities for that. Davenport was helping Narrows look at funding and FEMA, Thompson and Litton, Narrows, and Pearisburg were all working together to try to get this hazard mitigation funding in place.

Councilman Mills said politics could change on a dime, we all knew that, but at this very day we had a real willing partner up the road and their manager respected Terry tremendously. Their council was made up of reasonable people, so he thought logistically we could work it out together.

Councilman Hale asked Terry Nicholson what they needed to decide about this thing.

Terry Nicholson said he wanted to present all of these topics and then he thought they would work on prioritizing them.

Kevin Byrd said it seemed like there was a general consensus to look at this collaborative project versus trying to rehab. He thought that was a good direction for that, at this point. Davenport was going to really inform them on that conversation.

Terry Nicholson said to their comment about the politicians as well, he asked them to recall that after the flood the Governor, Morgan Griffith, Tim Kaine, Mark Warner, Jason Ballard, and Travis Hackworth were all here within the week after the flood, and every single one of them heard from him about their wastewater treatment plant, so they all knew about it and were on board for it, and agreed with them that this was a reasonable project and something they could get behind. We could bring that kind of political support to the project.

Councilman Creger said if someone went to the passenger railroad ceremony in Christiansburg, they would see the Governor again, and probably Jason Ballard. They could mention these things to them there too.

Terry Nicholson said the more they could hear it the better.

Councilman Creger said that was the truth.

Terry Nicholson said the third page under the wastewater treatment plant dealt with the rotating biological contactors. He knew those that had been on council for a while with him had heard about this as well. The process that the wastewater treatment plant used was called rotating biological contactors and they refer to those as RBC's. They were wheels that rotate and were halfway submerged in raw sewage. They had media on them that had live bacteria on it that would eat the bad bacteria that was in the sewage. There are three RBC's in a row; they turn through the sewage which passes through each of the three stages. The best practices were replacing that media on those rotating biological contactors and the wheels and the motors every 5-10 years. They were getting at the end of their life expectancy, so this was something that we needed to deal with, and he did not believe we could continue to push that off with the idea that we were going to build a new plant. We are going to try to survive until we build a new plant, but that was four or five years down the road and that would be pushing the RBC's four or five years beyond their reasonable life expectancy. The best practice was to replace them one at a time and that should be done about a year apart, so for the town, fiscally, it would be to their advantage to plan on replacing them one at a time over the next three years.

Councilman Mills asked what one of the rotating biological contactors cost.

Terry Nicholson said \$330,000 so we would be spending around one million dollars over the next three years. If one of those were to break, we would have to come up with that money right away, so he wanted them to be planning for it and to have an idea of how we were going to fund this. This was something that he had been preparing Davenport for as well. They knew that was something the plant operators had been telling him we needed to do sooner rather than later.

Mayor Spangler said if we did that and then built a regional plant was there any outlet for what we had done here, with any return to the town as far as selling those things.

Terry Nicholson said probably not. His own gut feeling was telling him we would not want to pick one of those up and move it to Pearisburg. Although, in adding on to Pearisburg, we would likely be adding more RBC's to their plant to handle a larger flow through there combining both town's flow. He could not say and be 100% sure that we would not be able to transfer one of those over there, but he doubted it. He thought they would want to start with all new material when they built it. This was something that they had known about for several years and had been talking about, but had kicked the can down the road for the last three years that he had been here, so this was something he was going to continue to push council for. We need to keep this high on the priority list.

The fourth item under the wastewater treatment plant was the generator. Council will recall that with this automatic transfer switch issue we had been dealing with, Peed & Bortz had been saying that we needed a bigger generator, and that would have been a solution to the problems that the ATS was creating. There were other reasons to look at a new generator. Even with the

ATS in place and the variable frequency drive that we are putting in place, it would mean that they would have to size the generator to run the plant at a higher amperage than we currently are capable of. They could vastly oversize the generator and solve the ATS problem, but the cost of doing that was far more than the change order that we had been talking about. However, Kevin Byrd had been working with him on DHCD funding. DHCD received a pot of money because of the Helene disaster. The town will be holding a public hearing to consider an application for grant funds from DHCD under the Urgent Need program, and generators were one of the items that could be funded through this program. The town currently had a mobile diesel fueled generator, and what he would like to do, since we have natural gas available to that plant, is put a permanently piped natural gas generator at that site, elevate it so that it was out of the floodplain, and then regardless of which way we went, we were going to need a generator at a pump station as well, so then we would be set. That item would be an investment that would serve the town for the next 25 years. That funding seemed to be something that would be reasonably attainable for them. We would schedule a public hearing for that at the next meeting, and then possibly another one at their budget work session in April.

Councilman Creger said the truth of the matter was, and he was not sure what else Terry Nicholson had, but he imagined it being in the same boat. The truth of the matter was pretty much that concerning every idea he had proposed they did not have many choices; it had to get done. We just had to figure out the best way to fund it to make it happen.

Terry Nicholson said this session and the meeting with Davenport will help them figure out how we space these out over the next 10 years.

Councilman Hale said he would add to Jonathan Creger's comments that everyone in this town depended upon everything we had talked about so far whether they wanted to or not. That was not necessarily the case for most of the things that will follow in this discussion. He would agree with him that this was a high priority.

Mayor Spangler said regardless whether it was this project or any other where it required spending a significant amount of money, we needed to figure out a way of doing this and convey to the public why we needed to raise their costs on whatever it might be, and make them feel good about it as best they could. When you talked to people what you heard was they could not afford to live in the Town of Narrows because everything cost too much. They did not understand the cost of running the town, so we needed to better convey the need for it. He would just like to see them able to, moving forward with whatever the project was, come up with some way that people were more acceptable to what was going on.

Councilman Hale said he agreed with him and thought it addressed Jonathan's concern he mentioned earlier. He was convinced you could not make everyone happy but he thought it was really important we be purposeful about trying to communicate as effectively as they could. That way regardless of what citizens said or popped off about on social media, council would know they gave it their best shot and would be convinced they gave it their best shot.

Councilman Creger said the key was the funding, and how they went about getting any additional funding, so we could get as much outside funding, so we did not have to raise people's costs to fund this, and that it was a minimal impact on the people.

Councilman Mills said what was facing this board was there could come a time in their tenure together that they would have to look people in the eye and ask them how much they loved this town. This stuff was necessary for their quality of life and did they care enough about the town to pay some more taxes and to pay a higher water bill. Glen Lyn had a town that lost a huge revenue stream when Appalachian Power shut down, but Glen Lyn was no longer a town because they could not afford to do stuff. He loved Narrows and did not want to see that take place, but if everything went wrong and we could not secure the funding from these agencies we could be bankrupt.

Councilman Hale said he agreed with John 100%. We must be responsible and not be reckless in terms of how we are stewards of people's money. However, to expect to continue to exist without recognizing that price increases were prevalent in the world we live in and to expect to continue to exist without expecting to be impacted by that was unrealistic.

Councilman Mills said it was terribly unrealistic and he agreed with his observation. The price of everything went up every year so why should not the price of government. There was a limit, and he did not know what that number was, but he thought as long as they could look at 200 people that wanted to skin their hide and tell the truth, then they had done the very best job they could do.

Councilman Creger said he suspected that part of the reason we were here today in this situation was because way back when, some of these things could have been done incrementally and maybe a little tax raise to help get it done, but it did not get done because no one wanted to raise taxes. But taxes were part of it. They did need to maximize whatever outside funding they could get to minimize raising some of these taxes, but there was no doing this without raising taxes and water costs and stuff like that because that was just how it was.

Councilman Mills said he agreed, but in a little while when it was appropriate, they were going to hear him say something that most of them would not believe. He had been thinking about tax increases this year and they needed to do what they had to do to avoid a tax increase this year. Reassessments were coming in FY26 and that was an automatic tax increase if they allowed it to be. Next year when the reassessments hit, we could actually lower the tax rate and still bring in more money. To him, it would be a lot more palatable to their constituents. That was just a thought.

Councilman Creger said that was a great thought. He did not want to raise anyone's taxes but sometimes they had to.

Councilman Mills said he had asked Terry Nicholson to look into a line of credit because we may have to float a loan to get the town through this year and would have to keep this number at a minimum. Something told him that the town would have to come up with some money for this year. They could tell everyone they had done the right thing on water and sewer. This body had committed to no more band aids and if there were galvanized lines they needed to replace them. They could be forced to either raise taxes or get a bridge loan to get them through this year.

Kevin Byrd said Davenport would give council a clear picture of that.

Councilman Creger said the thing that bothered him at times, and he thought that all town employees did a great job, but when budget time came around they always talked about raises. It would be hard to give raises at the same time they were talking about raising taxes and finding money to pay for the sewer project. We would have to look at that and what would be fair overall.

Councilman Mills said they had been magnanimous with town staff. Each councilmember had agreed to give raises and bonuses when funds were available. He worked for Giles County and did not receive a raise for five years, but he had enough faith in Chris McKlarney - he knew when the money hit the table, he would receive some of it, and he did. We may have to tighten their belt like that, and it was hard to tell an exemplary staff that this was what they were receiving this year.

Councilman Hale said they needed to wait until they got to that point to discuss this. That could happen but maybe it would not.

Councilman Mills said he hoped it did not. They needed to hope for the best and plan for the worst.

Kevin Byrd said that was a good conversation that helped them sort through the wants and needs of the town.

Councilmember Bowles said the RBC's were already \$330,000 each but could that cost go up the next time we needed one.

Terry Nicholson said yes. It was hard to predict how much they could go up but from the initial time we anticipated this they were originally around \$280,000. We were building padding into that amount with the anticipation of replacing all three of them. There might be some possibility we may be able to negotiate with the provider and they could say they knew we were going to

replace three of them in the next three years so the price could be locked in. That would be asking the provider to risk what the price might go up.

Terry Nicholson said the study of our wastewater collection system (I&I) was already underway but he just wanted to remind council of this. The town got Thompson and Litton to start an I&I (inflow and infiltration) study where they looked at their sewer system, for leaks into the system. We know we have them, and the huge rain event the town had was an indicator of that. We had rainwater getting into the sanitary sewer and that was what we were trying to prevent. What we do not want to happen is for that to be collected and be pumped to Pearisburg, and have to pay for rainwater to be treated as sewage. That would raise everyone's cost. This was something we already had underway, and Thompson and Litton were about 20% into their study. They had flow meters out looking at the flows in the town's system and would ultimately be looking at finding those leaks. When they met in Richmond with DEQ, we talked with them about fixing the problems that the I&I study might find. They took an application for the town for about \$1 million in funding. The fear was that \$1 million might not even touch what the town might identify as the problems. The town spent \$1,000/foot to replace the sewer lines on Northview, George, and Main Streets in the last couple of years. There were miles of sewer lines in town, and pricing that at \$1,000/foot was a scary figure to look at. We need to get a handle on this and know what we need to repair. That was the purpose of this study. The study cost about \$100,000 and that had already been approved by council. In the second quarter of this year, DEQ will give the town an offer back on the application as to whether there would be some grant funding and low-interest loan funding.

Mayor Spangler asked if the grant funding would be available if the town did not take the loan.

Terry Nicholson said no, it would be a package deal.

Councilman Mills asked if the proposal included being very aggressive in flushing out violators.

Terry Nicholson said yes. Sump pumps were a problem just from the flow we see after a rain event. We can see weather-related events at the wastewater plant in-flow. Some of that was due to sump pumps but some of it was due to breaks in the lines where groundwater would seep into the lines when it was raining. One of the things that concerned him, especially with the problems on Hopkins Street, was that one of the town's storm sewers might be connected to the sanitary sewer somewhere.

Councilman Mills said that would not surprise him. Back in the good old days, it was common practice to have an area-way drain hitting a sump pump and then pumping it into the sanitary sewer. He would guarantee there were a whole lot of them prevalent today.

Terry Nicholson said someone mentioned people that had their rain gutters running into their underground sewer pipes and those usually ran to the sanitary sewer as well.

Mayor Spangler asked Terry Nicholson if there was the possibility of testing the stormwater runoff with some type of dye to see if it was going into the sanitary sewer.

Terry Nicholson said they could do that, and that was part of the I&I study.

Terry Nicholson said next there was one item under the water department, and that was the replacement of galvanized lines. The town was already doing this, and in the upcoming budget he would include money to replace more lines. We have a pretty good handle on what they could handle themselves. Last year we budgeted \$22,000 for this, and used force labor to do the replacements, but this year he would like to see that line item increased to about \$40,000. We will be doing some work in the Orchard subdivision and will go a little over last year's budget for that. This had to be done. This has paid off for the town because water loss has decreased significantly.

Councilman Mills said that was the kind of stuff we needed to share with anyone that would listen.

Terry Nicholson said we would now go into the parks and rec department. We were looking at adding signage at Mill Creek and performing trailhead improvements, but these would only be done if the town could receive grant funding to do it. We are pursuing grant funding and were

pretty confident we could accomplish that. Council members will recall they had the Community Design Assistance Center (CDAC) at Virginia Tech do a concept design for the trailhead at Mill Creek Park to improve parking and improve marking of the trail itself. We installed a public restroom with earlier grant funding. We need permanent trail signage on the trails themselves. CDAC designed an entryway arch at the beginning of the trail so that when someone was standing in the parking lot, they could determine the entrance of the trail. They would also do some native plantings around the restroom facility. They were going to ask for funds in the amount of \$100,000 and this would require a \$20,000 match, which would be an in-kind match with labor. We would use Jeff Perdue to do backhoe work to move the boulders around and grading that would need to be done for the parking lot expansion. The timeline for this project would be 18 to 24 months. The grant applications are due in April so we should hear something back in a month or so after that.

Councilman Creger said this was still an important venture because it was the type of project that would bring people into town and get them to spend some money.

Terry Nicholson said the next item was the renovation of the rec center. They had talked about this in the past, but had kicked it down the road. The heating system in the building was damaged in the President's Day rain event, not from creek flooding but from water rising in the basement and that was where the heating system was. One of the sump pumps failed, the trigger on it did not kick off, so that allowed it to fill up with water and that was about 4'. This submerged the valves in the gas-operated furnace. When a gas valve was submerged it must be replaced. The town had been working with VDEM and FEMA, and the Governor was pushing the President to include Giles County in the disaster declaration for that particular event. This had not been done yet and, should it be done, this project would be eligible for reimbursement through FEMA. If not, the town would be on the hook for around \$15,000 for the heating system. The heating system was a behemoth, and finding someone to work on it was pretty hard to do.

In the past, we researched placing air conditioning in that building, and that could improve efficiency. As of now, we were only heating the building, and there were window air conditioning units in the offices. The cost estimate to install air conditioning came back at \$500,000, and the reason for that was not just the size of the units that would be needed to heat and cool the size of that building, but the electrical would also have to be upgraded. The auditorium itself was vastly underused and was a huge space. We had talked about converting that space to an auxiliary gym by taking the chairs out and flattening the floor, because now it was a sloped floor. That would allow two rec programs to be going on at the same time. We do not have a cost estimate for that work, but he believed that would be a cost-effective thing to do. The condition of the building was fair to poor. The roof was installed in 2012, and they had several problems with leaks. The manufacturer of the roof, Firestone Roofing, had worked with the town and performed repairs at no cost. They knew there were some places where the leaks from the roof had gotten into the concrete block walls and that had caused peeling paint, flaking of the concrete block, etc. A general renovation of the building, to include updates to the HVAC, electrical, roof work, and rework of the auditorium would likely exceed \$2 million. Council needed to keep all of this in mind because this was something that benefited the town greatly. The strongest programs they had were parks and rec programs, but that space was getting harder and harder to maintain effectively.

Mayor Spangler said regardless of what updates we would do, we would still have a building that was in overall poor condition and there was nothing we could do to change that. He would be the one to say just tear the building down and build something. We could probably not do that for \$2 million but we would at least have something to accommodate what we wanted to accommodate.

Councilman Creger asked if the only sport there was basketball.

Terry Nicholson said we had basketball, volleyball, cheerleading, and several other small groups.

Councilman Mills said we could potentially run into a lot of other problems with that building.

Terry Nicholson said the town owned the building but did not own the land and that made it even more complicated. They needed to keep this in mind and would have Davenport include this in their ten-year plan.

Councilman Creger asked what kind of relationship the town had with the school board. Could the town use some of their sports facilities for some of the rec programs.

Terry Nicholson said the town did this already.

Councilman Creger asked if the town could help the other organizations find places to meet so they could tear that building down.

Terry Nicholson said if the town were to lose that gymnasium it would hurt the town some, but they would be able to manage. The town uses the school's facilities and the school uses the town's facilities, so the town had a great working relationship with them.

Mayor Spangler said with the shape the building was in, it would not be that long until it would no longer be usable. He would hate to see the town spend money and refurbish certain things. It would kind of be like pouring money down a hole.

Councilman Mills said he understood the town was required as a town to provide recreation. He was 100% behind recreation, but he was not behind plowing money into an antiquated building.

Councilman Creger said from what he got from their earlier conversation, they could do away with that building altogether. Since the town did not own the land he did not know how they could benefit from tearing it down.

Terry Nicholson said next was refurbishing facilities at the town park. The bathrooms and the kitchen at the middle shelter were in bad shape.

Councilman Mills said he did not believe this was a deal breaker either. He thought they could do most of that in house at a nominal cost.

Terry Nicholson said the town had not gotten estimates for this facility because they had done some repairs to the floors and repainted some things. Now that they had the camera system there where they could protect the building better, he thought the building could be refurbished. This would be well received by the community and make the building much more usable.

Councilman Creger said Celanese did some work for the town at the park one time so this might be some work they could help with. We could also maybe receive some volunteer work for that.

Terry Nicholson said we really needed to create a plan for exactly what we wanted to do and have someone look at the fixtures that needed to be replaced.

Councilmember Bowles said she was no structural engineer but luckily the building seemed sound.

Terry Nicholson said there were no problems with leaks or anything like that.

Mayor Spangler said if we could put the kitchen back to full use in the summertime and serve hot dogs, hamburgers, or whatever on a regular basis he thought it would draw more people in.

Councilmember Bowles said there was nowhere in the county that someone could rent a commercial kitchen to use. If someone wanted to be a licensed caterer they had to have a commercial kitchen and if they did not have that money up front they could not do it. In the off season someone could use that as a ghost kitchen and they would carry their own insurance. That could be a lot of money that could come in or could potentially come in.

Terry Nicholson said the last page under parks and rec department he lumped several other facilities there. The Lurich Road facility and Camp Success. One project would be upgrading the parking area at Lurich Road. If the PSA convenience center went away, we would look at expanding that parking area and making where the convenience center was become more parking for the ballfields. That would improve that facility. They do plan on putting two more dugouts at the ballfields and have been successful at doing that at little to no cost to the town. Celanese helped the town with that in the past. Some of the campsites at Camp Success and the road itself needed some work. They had talked about possibly getting mitigation grant funding from FEMA

to make improvements to that road and replace some of the disc golf baskets that got damaged either in the flood or they had lost some in prior floods as well.

Councilman Creger asked if there was anything we could do like landscape-wise to create a berm or some sort of something that would maybe minimize flood impact. Someone mentioned to him that Camp Success just kept getting flooded, they fixed it, it got flooded again, they fixed it, and it got flooded again.

Terry Nicholson said it was in the regulatory floodway so we could not do that without an engineer's design for exactly what we were going to do to protect it. We would have to show that what we were doing was not going to raise the flood elevation on anyone else. If we were protecting the site, then we would be pushing water somewhere else, so we had to consider that as well. It would be very costly to do that, so the town's approach in the past has always been that since it was a primitive campsite, and that is a by-right use in the floodway, that was the best use of the land. As an example, the mobile home park at Jason Circle was going to go away. That land was in the county, and they were actually looking at getting funding from FEMA to purchase that property. But there again, the only allowed uses would be similar to Camp Success.

Mayor Spangler asked if we could secure the disc golf baskets and the posts down at ground level with some kind of a pin and a lock and then if they were calling for high water get John and them to go in there and take them up.

Terry Nicholson said that was what was there now. They missed some in one of the prior floods and some of them got washed away. We did not lose anything in the last flood because of that.

Terry Nicholson said next up was the public works department. The town purchased the Gallimore property which had an existing building on it. We talked quite a bit about what that building could be, should be, or should not be. One of his initial reactions when that building was purchased was that it would make a good location for their public works. It was large enough that we could put all of their stored items and all of their equipment in one location. The bad part of that was they did the highest- and best-use study and for that property, the highest best use would be to tear that building down so that the land itself could be used for higher and better uses.

Mayor Spangler said he agreed with that.

Terry Nicholson said we would have to do some renovation and would have to tear some of it down, because there were some structural problems with some of it, and then we would have to do some renovation on other parts of it to be able to use it. Even if we did decide to use it as public works it was going to cost some money to do that.

Mayor Spangler said he thought if that were done it would be a deterrent to the housing that would be constructed up there.

Terry Nicholson said yes and that was exactly why he said in the highest- and best-use study that building would need to go away to make the most advantageous use of that land. The second alternative was when we do build a new fire department building, then this fire department building would be vacant and that would also be a reasonable location for public works. It had garage space we could put equipment in and it had some space that could be converted into offices, etc.. That would be a reasonable alternative, but we would have to build a fire department to get to that use. The old town hall in front of that building existed as well, and the town had stuff stored in it, but we basically treat that as if it was stuff stored outside, so it was really just for security, because the roof leaked so badly in there that water got into it, so we could not keep anything dry in there. We also have stuff stored in the back of the bank building, so if we decided to sell the bank building or find some other use for it, we would have to get the stored stuff out of there. We need to recognize that we have stuff stored in a lot of places that we were talking about either tearing down or doing away with, putting them into better use, so we need to keep that in mind also.

The purpose of buying the Gallimore property was to construct a new fire station. They had about six acres there and had done Phase I and Phase II Environmental Studies there. They did the feasibility study with Thompson and Litton and then Stantec as part of their highest- and best-use study. Stantec did look at where the best location would be for the fire department. That

was all through the DEQ Brownfields Grant, so the town had not spent any money of their own on these studies. They did have all the due diligence done on that property that they would need to do in order to construct a new building there. The fire department told the town that they were not able to afford to contribute toward the cost of the new building, but that was something that the town recognized they needed to do. The last truck that the town bought, which was years ago, had to be modified in order to make it fit into the building. The height of the doors of the building was too low to accommodate the new oversized trucks. The timeline for this project was two to three years and that would be part of the financing we did on the Gallimore property. The town was paying interest only on that property while we were waiting for a construction loan, where we would build something on the property.

The last page was something the fire department had also asked for. They asked initially for a new pumper truck, but the town got the price of that, and said maybe they needed to look at purchasing a used pumper truck. They investigated used pumper trucks, and they realized that our own pumper truck was in far better shape than any of the used ones that they could buy in that the number of hours on the pump and the number of miles on the motor itself was far less than anything they could find. They then approached Logan Fire Apparatus, and they came out and looked at the truck, and gave a price for refurbishing, which was around \$250,000. That was about a quarter of what it would cost for a new truck, and they would essentially have a new truck with the mileage on it that their existing motor had. The pump itself would be refurbished, they would repaint the truck, they would redo all the lights and turn them into LED lights, and they would do some adjustments to some of the doors on the side to make them more accessible, so equipment and ladder racks would be more accessible. Those would be nice improvements to the truck, and it would satisfy all the needs of the fire department at far less cost to the town. The cost would be \$250,000 for 12 to 18 months and they would put that in with Davenport as well as something to consider.

Councilmember Bowles asked if that was the truck that got the new transmission.

Terry Nicholson said no. That was an older pumper truck.

Mayor Spangler said he knew Paul Logan with Logan Fire Apparatus and his whole family were great people. When Hurricane Helene went through there was a fire department in North Carolina that lost everything. Paul Logan had some extra trucks so he gave them a fire truck. He was a great guy.

Terry Nicholson said it would take them a number of months to do the refurbishing of the truck and Logan would provide the fire department with a loaner truck while our truck was out of commission. The town would not be short a truck while that project was going on.

Kevin Byrd said Terry Nicholson provided great context in his presentation. He asked council if they had questions on what Terry presented. He thought they all talked a lot about the wastewater treatment plant but he would come back to that.

Mayor Spangler said if 95% of this grant money did not come through they were in trouble.

Terry Nicholson said yes.

Councilman Mills said he agreed they were in trouble, but he also heard a whole gaggle of politicians promising Terry Nicholson relief and if they started to get cold feet, he thought we needed to do an extensive campaign reminding them of what they told the town in the aftermath of that storm. That was not much but we could do that. He thought they would come through for the town.

Kevin Byrd said it spoke volumes that the town wanted to look at doing that with Pearisburg. If we went to them and wanted to keep doing what we had always been doing, funding agencies were going to challenge them on that a little bit.

Mayor Spangler said the town was going to pay Pearisburg for the amount of sewage we pumped. That would be to cover their increased cost of manpower and everything else. Was the town going to have any additional costs other than running this pump station. Was the town going to have to pay them to help cover their manpower and that type of stuff or was all that included.

Terry Nicholson said all that would have to be figured out. The town had operators here and they had to be licensed and certified so there was a cost to that. Finding a licensed certified operator for a plant, you had to pay for and the town was paying for that. His vision of this was we would keep at least one and maybe two licensed operators, and Pearisburg would keep two so we would have staff that both were providing. We could work those kinds of details out with them. They could meter raw sewage the same way they metered water that came into our system and charge by the gallon. There were other things we need to consider like the maintenance of the line. Whose responsibility was it to maintain the line between Narrows and Pearisburg, and whose responsibility was it to maintain the pump station. We would have to work out all of those kinds of things. There were a lot of questions to deal with, but that was all a part of this whole big picture and that was something that the grant funders would help them with, creating that kind of legal structure that we would operate under to share the costs of it.

Councilman Mills said his stance was if we got to that point where we were talking about operators, we had already hit pay dirt. That was the way he looked at that.

Kevin Byrd said what about parks and rec. Council did play in there a little bit on really wanting to do the Mill Creek signage project, especially if that grant came through. That would be a really good deal in that the match they were doing was their own in-kind, so it was not cash and that was terrific. If it did not materialize, it sounded like they had a Plan B, so they could still make some improvements.

Councilman Mills said that was an easy one if we got the money.

Mayor Spangler said he thought there was some of it we could do at a nominal cost. The trail markers could be done.

Terry Nicholson said Ralph Robertson had been doing those himself by making handmade signs and installing them. Unfortunately, people were starting to steal them for whatever reason, so something more permanent and permanently mounted would be their goal here. It would be harder for someone to steal it.

Councilman Hale said their proposal was to use the expertise at the Vocational Tech Center to do some of that work for them.

Mayor Spangler said if we could use something like poly lumber where we could engrave it and it would not rot that would be the way to go. The signs that Ralph made eventually after a year or two had problems. All you would have to do with the poly lumber would be pressure wash them.

Kevin Byrd said what about the rec center.

Councilman Mills said he did not want to spend a dime.

Councilman Creger said he did not see throwing money at it because that was all we were really doing.

Mayor Spangler asked if the heating system was functional now.

Terry Nicholson said yes. The town spent right at \$5,000 to get it functional the next day because it was cold.

Mayor Spangler asked if there was any indication that it would not hold up for a period of time.

Terry Nicholson said yes. We were going to need to address that issue because this really was a temporary solution. We struggled to find the motor we needed to run the unit and found someone in Roanoke that was willing to come. They had one that was not the exact right fit for the unit itself, but it worked. This was not a long-term solution.

Mayor Spangler said what about having the motor that was on it rebuilt if it was the right motor.

Terry Nicholson said that was a possibility. The town did not have the full figures for that now and the guy who temporarily fixed it said it was probably going to cost around \$15,000 to replace everything.

Councilman Mills said with all the pressing issues this body was facing that was the last thing on his to-do list.

Mayor Spangler said if we were going to use that building in the wintertime, we had to be able to heat it. Whatever we had to do, within reason, to fix the heat source we needed to do.

Terry Nicholson said Jonathan Creger said they did not want to spend any money to refurbish that building. He believed they needed to ride that building to its grave basically where the town could continue to keep it functional as it is, until it reached that point.

Councilman Mills asked if they had to ride it to the tune of \$500,000 which was what he saw in the report.

Mayor Spangler said that was for the electrical and the hvac upgrade.

Terry Nicholson said the \$500,000 was to air condition the building which was putting all new heat pumps in.

Kevin Byrd said it sounded like a consensus there.

Councilman Mills asked council what the number was they were willing to go on that albatross.

Mayor Spangler said he did not think they could put a number on it because we did not know what might break. The heating system and the lights were the only things in the building.

Councilman Mills said he thought we had to put a number of some kind on it. We might deviate from it a little bit.

Councilmember Bowles said the roof was installed in 2012.

Terry Nicholson said yes so the roof was 13 years old and the life expectancy was 25 years.

Councilman Hale said the way we got to that answer was to know what we were spending today.

Mayor Spangler said expenditures in the wintertime were the heating system and whatever the lights would cost.

Terry Nicholson said heating that building in the wintertime cost around \$5,000 - \$6,000 a month.

Mayor Spangler said in summertime the only thing would be the lights.

Terry Nicholson said his point to council would be when he said ride it to its grave was basically having council on a case-by-case basis look at this. He would come to council and say they needed to spend \$15,000 to repair the heat in the building or could come to them and say they needed to spend \$125,000 or \$200,000 to put a new roof on it, that was when they were going to say probably not and we would start looking for other alternatives.

Mayor Spangler said they had problems with that roof ever since it had been put on there.

Terry Nicholson said he read through the file on that roof when he was hired, which was why Firestone came back and did the warranty work for them. He was able to say to them they had been working on this since a month after they put it in.

Councilman Mills asked what the possibility was of communicating with the county about the new Rec facility proposal they had on the table. He believed their money would be better spent collaborating with a first-class facility that had everything anyone could want. They might have to drive 8 miles, but he knew a lot of people drove 200 miles to take their kids to events. This was just a thought.

Councilmember Bowles said she thought there could be some collaboration but if they had every locality counting on that one facility there would not be enough space. That might be where some games were showcased but practicing and things like that would not accommodate everyone.

Mayor Spangler said their initial design did not include basketball courts and stuff like that did it.

Terry Nicholson said he thought it did.

Mayor Spangler said maybe it did, it was a big building.

Terry Nicholson said there were multiple courts for different sports.

Councilman Mills said 50,000 square feet was a lot of building.

Councilman Creger said he thought we would be wise to look at how we could start using that building less and less and figure out different locations for the events so they used it less and less until we were down to not using it and not paying anything for it and figure out what we were going to do for a permanent solution, whether it be a collaboration or whatever. He did not see putting any more money into it and did not see how limping it along helped them.

Mayor Spangler said they needed to keep an eye out for grant money for new construction that could be used there. It would have to be a lot of grant money.

Councilman Hale said it might be a historic facility so there may be some opportunity there.

Councilman Mills said someone could talk to the school board because they have lots of funding sources available to them at lower interest rates than on the street. We would see how stout their relationship was if we asked them to put some skin in the game.

Mayor Spangler said the school board did not own that building but might invest something in it. It would be nice if they could acquire the grassy area between the rec center and Monroe Street and make parking out of it or something out of it.

Terry Nicholson said the School Board did look at the Rec building for the head start program and considered investing some money in it, but they had gone away from that idea now. They were looking at some other alternatives still in that area around the old Head Start building beside the library. They were looking at putting a mobile unit there for Head Start, but that was still up in the air.

Kevin Byrd said it sounded like this was one to revisit in the future and not to pour a lot of money into it. It sounded like they had a pretty good handle on the facilities at the town park and had made a couple of notes about needing to line out a plan to figure out what was volunteer, what was Town staff, and what Celanese or somebody else might be able to bring to the table to support that venture.

Councilman Mills said that was a high priority.

Terry Nicholson said that was a high priority and it was a relatively low cost.

Councilman Hale said except for the platform.

Terry Nicholson said John Hale had sent pictures of the platform for the swimming hole at the park and there was some erosion into the rock which was really difficult to fix when the water was up so they had to wait for a low-water event to get in there and fix it.

Kevin Byrd asked if there were any comments concerning Lurich Road and Camp Success.

Terry Nicholson said those would also be a minimal cost to the town. Those were just projects they would get help to get accomplished.

Mayor Spangler asked Terry Nicholson if he had made any headway or heard anything about the outfitter building on whether we could expand the use of it or not.

Terry Nicholson said we would put out an RFP for that. He had not had a whole lot of time to work on that lately, but we would put out an RFP with that expanded scope to try to get something that was outdoor related, but not necessarily trying to do a concessionaire agreement like we had been doing. We would see if we could find someone to take on that space. He told Kevin Byrd he would be talking with his office more about that.

Kevin Byrd said with the Gallimore building, what was their sense of direction here between alternative one and alternative two.

Councilman Creger said the proposal they saw about building a fire station up there and housing and other things seemed very nice but it would be a lot of money. We could put the fire station up there long before we could put the town shop up there in the middle of it. He was not completely convinced on the entrance and exit of the fire trucks in an emergency in that plan, but they could probably figure out something about that. Some bit of housing would look like an improvement as opposed to a couple of the other ideas. He did not see using all that just for a big old town shop. We could get a lot more for their money if we built a fire station and a little community around it like we saw in that one presentation. The town shop could take the old fire hall and that seemed a lot more reasonable.

Councilman Hale said he thought that was what he was saying.

Councilman Creger said it was.

Terry Nicholson said the two pieces of land we bought had the existing Gallimore building on it and the vacant piece, which their original plan was to build the fire department on that vacant piece but it was the furthest back on the property and was the hardest to get out to Main Street for the fire department. Unless we acquired more land or got a developer to acquire all of that land and swapped them for what we already owned, their fire department location was going to need to be basically where that Gallimore building was now, over towards the VFW. We would tear down that building and go as far to the right (facing into the site) on the property that the town owned, unless we could acquire more property. With what the town already owned the location of the fire department was not going to be optimal in what the highest- and best-use study presented, because the town owned two parcels that were at the back and everybody wanted the fire department to be as far forward and as far right as possible.

Mayor Spangler said his preference was if we could get a developer in and trade off some way and put it all in the lower end of Allen Neely's property there would be less noise for residents, it would be safer, and it would be easier access for the fire department. They could access it off of Main Street further toward the funeral home. There were a couple of old houses there and if they could acquire those they could go in from there and not even go into the residential part of it. That was a lot of ifs.

Terry Nicholson said that was what we got the highest- and best-use study for. We could now market it with that highest- and best-use study and try to get a developer interested in it and then we could start talking with them about swapping the land that the town already owned for what we would really like to have, where we could locate the fire department. Council had to remember we had time, but the loan that we had for the Gallimore property was interest only and at some point, it was going to come due. We were either going to have to have a construction loan for the fire department and finance the purchase of that land into it or we were going to have to refinance it and start paying the principal on it.

Mayor Spangler said the initial cost estimate we received on the fire department was never reviewed or reduced from what he remembered.

Councilman Mills said it was too much money.

Mayor Spangler said Roanoke County just opened a new fire department with a huge building, but the cost was around \$8 million. The town's initial investment was going to be \$19 million or something but that was with all kinds of bells and whistles.

Terry Nicholson said they were at \$12 million. We told Davenport to look at a figure of around \$2 million to \$3 million to be able to build a building. They did not need anything fancy; they really just needed a place to put the trucks and a turnout room for them to keep their equipment. It was an all-volunteer fire department so they would not need sleeping quarters or anything like that. We originally talked about putting the police department in there as well, and council could decide to do that if it was cost effective, we could decide to leave the police where they were, or we could look for another facility for the police.

Mayor Spangler said the biggest thing he heard from residents was that council was taking everything out of the Town of Narrows and moving it up on the hill and everyone wanted to leave it in the Town of Narrows or leave it in the downtown area.

Terry Nicholson said he believed he had said this to council before. The town was paying about \$4,000 a month for this building they were in right now so when he looked at that it was \$48,000 a year. If we were to purchase a building, \$48,000 as debt service would really only get them around a million dollars, so if we decided we were going to build a new building somewhere or were going to renovate another building once we got over that million, we were going to spend more money than we were spending here leasing it.

Councilman Mills said people he trusted kept telling him they would place housing up there, but it had been his vision that we put some sort of light industry there, something that employed people and in the process, they were creating revenue to help pay for that fire department. He did not think, as far as the growth of this town, no matter how nice they would be, we would ever recoup their investment with town houses. Maybe he was crazy, and if someone could prove it to him, he would admit he was wrong, but he did not want to do that. It was the best piece of ground in this town and one of the best pieces in the western district and he would hate to just put houses up there, but if that was what it came to, then that was what it came to.

Mayor Spangler said he was very much against apartments. They start out well-meaning and great and then you look at them ten years down the road and there would be people in there that you would rather not have and they would be run down.

Councilman Creger said he agreed with Councilman Mills' light industry idea. He did not know how that would look or what kind of industry that might be. How would they talk people into bringing it here.

Councilman Mills said that was a good question but he did know this: if they made no attempt to market it and to put it out there in that vein, no one was going to come knocking on the town's door. It did not sit well with him to put houses up there, but if that was how it had to be then there should be some nice housing sites.

Mayor Spangler said he agreed with Councilman Mills but guessed the downside of some type of industry was that if ten years from now they closed the doors and walked away what would we have?

Councilman Mills said we would have to roll the dice on any endeavor.

Mayor Spangler recalled what they did at the New River Valley Airport. That sat vacant for 25 years or longer and was booming now but it took a long time.

Kevin Byrd said Davenport would bring some numbers on that project to help them get some more information.

Mayor Spangler said he was sure there were a lot of developers out there but he thought Main Street Builders would be very interested in discussing that.

Councilman Creger said it seemed to him that if we talked about bringing stuff in to provide jobs maybe we could look at adding retail space.

Mayor Spangler said that was built into it as well.

Terry Nicholson said it was developers that Stantec went to for this highest- and best-use study that said what they should put there. The developers were the ones who said a very light mix of

retail. They did not think the idea of retail under apartments would be a feasible idea but they did think some retail and some commercial office kinds of things there could work and then the idea of townhomes. He thought they did put some apartments in there.

Councilman Mills said he clearly remembered the developers input and he disagreed with them too but if that was what it had to be and if that was what they decided then he would be behind it 100%. At this point in this discussion, he was not ready to roll over on that.

Terry Nicholson said their next steps after getting that highest- and best-use study done was to now get the IDA involved to help the town market this. If they got some developers interested let them figure it out. It was their money they were risking. The town only owned a part of that parcel and wanted to put a fire department somewhere up there.

Councilman Mills said if someone was willing to risk their money then they were a believer.

Kevin Byrd said it seemed there was full support on replacing the galvanized lines and there was not a huge expenditure there.

Councilman Mills said that was another number one and they had to do that. We had to designate those funds.

Kevin Byrd asked if there was anything additional on the fire department.

Terry Nicholson said he thought we had covered that. The pumper truck he thought was one that we would talk to Davenport about; and find out when we could afford to do that. This would be the plan over the next ten years for where we thought that would fit in.

Councilman Mills said the thing about replacing those water lines was that we received a return on our investment with that. They quit paying literally for water to go in the ground and it went into someone's spigot, so we had to do that. If Terry Nicholson thought \$40,000 was sufficient then he would take him at his word.

Terry Nicholson said that was for a year so we would be doing that for the next ten years.

Councilman Mills said he understood that.

Councilman Creger said as far as the fire truck they would refurbish everything but the engine, was that right.

Terry Nicholson said that was correct. The engine really had very low miles on it, he believed around 20,000 miles or something like that. All of the used trucks they looked at had 70,000-80,000 miles on them.

Kevin Byrd said those were not highway miles either. He asked council what was not up on the wall that should be. Was there anything that had been on their mind that needed to be up there.

Mayor Spangler said it was not necessarily a part of this conversation but the blighted properties he thought were a big thing. They just had that meeting so that was being addressed but he thought that was one thing we needed to actively pursue.

Councilman Mills said he agreed with him and that was dear to his heart. He wanted desperately to sock at least \$50,000 into an initial kitty to aid with that endeavor but like John Hale said let them see where they were when the rubber hit the road and then we could figure out some stuff.

Councilman Hale said he was with him on that. Blighted properties were a big deal to him. Terry knew that he had been harping on this, but they had some town-owned properties, and he would like to convert those to something good or be rid of them. They might be making progress and doing things that in terms of asbestos abatement grants and that sort of thing, and that was good but just to hold them into perpetuity looking like they were looking was not a good idea.

Mayor Spangler said that was one area they could really make an effort to do something about that would excite the citizens of Narrows more than anything they could do.

Terry Nicholson said we were at 8:00 and did not want to push this too much longer because we said we would do two hours, but that raised a question and it was one of the things that he had in his initial notes to Kevin but did not do a one-pager about it, but that was the bank building and the Wheeler building the town owns. He would like some direction for what council wants him to do with those buildings. He had talked to Karen Weber at DEQ about Brownfields money to try to do some things to those buildings. The Wheeler building had some leaks in the roof, so they needed to deal with that. The bank building was not leaking but they were not taking care of it so it was going to continue to deteriorate. We have had some folks look at it that had expressed some interest in it. He felt like if they offered that for sale or for some kind of use, we needed to be very careful about how we did that, so we had some leverage to make what we wanted to happen there. They had a lady interested in the bank building but only wanted to buy it for storage. It would not change the look of it and if it was cheap enough someone would do that. They would buy it and just put junk in it. That was what the town was doing with it right now. They had stuff that was donated for the flood stored in there so that it needed to be cleared out.

Councilman Hale said to his colleagues, speaking for himself, he would be happy to trade a low-selling price for a highest- and best-use something. At the very least, they would be getting that back into the economy and getting them back on the tax rolls.

Councilman Creger said they needed to say this was what the building needed to look like and they would need a certain facade or whatever. We needed to put some requirements on it.

Councilman Mills said that was economic development.

Councilman Creger said these buildings were costing the town money now.

Councilman Mills said it was an investment doing it in the fashion they were describing. If we gave the buildings away and then we got some businesses, six to eight apartments, or whatever they got, it was a lot more than we were getting now. There would come a time if we did not get something in those buildings, they would deteriorate. It would get to be a point where they did not have an option besides a wrecking ball and they were pretty close to that now.

Mayor Spangler said the bank building was so chopped up inside and little rooms and this and that, and the heat system was set up so that they heated the whole building or nothing. There would be one tremendous expense to do anything with it and he did not know that they could find someone that would give them any guarantees that would suit them.

Councilman Hale asked Terry Nicholson what he needed from council.

Terry Nicholson said he wanted to confirm with council that they would like for him to pursue selling those buildings.

Councilman Mills said yes under the right conditions.

Councilman Creger said yes with requirements that if they defaulted on the conditions then somehow they would owe the town some money.

Kevin Byrd said they could identify some performance objectives that had to be addressed during a certain time frame and they could say it would be for X, Y, and Z purposes.

Councilman Mills said Terry Nicholson and Mike Bedsaul were smart enough to tie it up. Terry Nicholson said he would get with Kevin Byrd and have him help craft how they would put out their request for proposal. We need to ask people to propose, come and tell the town what they were going to do with it, and give them a timeline for what they were going to do and show them that they could do it.

Councilman Mills said Terry Nicholson, Mike Bedsaul, and Kevin Byrd would all hook up and put together some kind of iron-clad contract.

Mayor Spangler said the money they had in the Wheeler building was just legal work and believed it was around \$6,000 to \$8,000. To the best of his recollection, the town bought the bank building for \$110,000 or \$130,000

Terry Nicholson said it was purchased for \$160,000.

Mayor Spangler said that was even worse but that was years ago and that was water over the dam.

Debbie Thomas said they basically only purchased that because they wanted the parking.

Terry Nicholson said they could maintain the parking with that because the parking was across the street and what was around it.

Councilman Hale told Terry Nicholson if he could roll up anything else in that as far as he was concerned that would be great, like the old town hall or whatever they may have around here that was being underutilized or not utilized.

Mayor Spangler asked Terry Nicholson if the old town hall building was structurally in good shape except for the roof.

Terry Nicholson said the roof had been leaking for so long it would take a lot of money to repair that building to where it was usable.

Mayor Spangler said if someone put a truss-type roof on it that might help.

Terry Nicholson said for the space they would gain and for where it was he did not believe that was feasible. He might be willing to consider that if we were putting public works there in the fire department if they built a new fire department building and decided their public works was going to go there, that building might be of some use to where they could open it up for storage or something like that.

Councilman Mills said he had been in that building and it was another one that you would not want to be in there breathing too long.

Terry Nicholson said the building had lead and asbestos in it and was plagued with problems they would have to address.

Mayor Spangler said the best use for that building would be to tear it down.

Terry Nicholson said yes. They did the highest- and best-use study of the bank building, the old town hall, the fire department, and the Wheeler building and they said we should tear that building down.

Councilman Hale said how about the activity center.

Mayor Spangler said he thought the fire department said they would retain use of that if we built a new fire department. Was that what he was asking.

Councilman Hale said he was talking about the old school building. Was that something that someone would be attracted to.

Terry Nicholson said he did not know.

Councilman Creger said he would say any of them were up for grabs if people were willing to do something with them.

Mayor Spangler said he thought what they all wanted to see were some guarantees on what they were going to do and when they were going to do it. They did not want it to sit there for the next ten years.

Councilman Hale said we were open for business.

Councilman Creger said we had to have ways to enforce it and make it move forward.

Councilman Mills said he liked John Hale's approach by doing the shotgun approach and putting everything they had up for sale.

Councilman Hale said they could start somewhere and see where it led.

Councilman Mills said it was a sincere passion of his and he had told people this blighted housing in one way shape or form had to have some movement this coming year. Whatever they had to do to help Terry Nicholson to get some activity they had to do it.

Kevin Byrd said Narrows had a town manager with experience in that space.

Mayor Spangler said they could not have hired a better man for the job.

Terry Nicholson said he did not have time to do it right now.

Kevin Byrd said Terry Nicholson knew the laws and that was the place to start.

Councilman Mills said they clearly realized he did not have time but that could be fixed.

Councilman Hale said they could do some reallocation.

Mayor Spangler told John Hale they could move him or someone else from Giles County to the town.

Kevin Byrd said the next time they were together, in two weeks, they had Davenport coming with some numbers and he thought that was going to be where they would be able to move things around. This next year sounded like it was going to be a pretty constrained budget year so they needed to look at what we needed to get accomplished and what we could put out a year beyond that.

Councilman Hale asked Kevin Byrd if he was coming back to the next meeting.

Kevin Byrd said yes. Council had a really good handle on what needed to happen, and the hard part would be the wants and the needs.

Mayor Spangler said for Sarah Bowles and Jonathan Creger, if they did not already know, Kevin Byrd was the Executive Director for the New River Valley Regional Commission and was an awesome individual.

Kevin Byrd thanked Mayor Spangler and told him he appreciated that.

Councilman Mills said he had known Kevin Byrd his whole career and he was first class and he would tell anyone that would listen.

Councilman Hale said the staff at the New River Valley Regional Commission were friends of the town.

Terry Nicholson said the whole staff of the New River Valley Regional Commission had been very helpful to them as a town and him as the manager as well.

Mayor Spangler said Aphie Fancon that did their comprehensive plan was an employee of the New River Valley Regional Commission as were many of the others that had been here.

Debbie Thomas said Aphie Fancon helped her with the ARPA reporting.

Councilman Mills said Jennifer Wilsie worked for them as well and was another first-class person. She had helped with the Home Consortium and they brought a lot of money into this county. Just a good outfit.

Kevin Byrd said they tried to bring money down so they did not have to use their own.

Councilman Mills made a motion to adjourn. Councilmember Bowles seconded the motion.

Ayes: Hale, Bowles, Creger, and Mills

Nays: None

Motion Carried 4-0

Clerk, Debbie Thomas

Mayor, Tom Spangler