REGULAR
COUNCIL MEETING
November 9, 1981

The regular meeting of the Elkton Town Council was held November 9, 1981 at 8:00 P.M. in the council chambers with the Mayor Maurice W. Lough presiding. The following council members were present: V. L. Cook Jr., R. E. Davis, S. P. H. Flick, T. G. Hulings, L. C. Life and R. L. Snow. Noah Helsley, Sergeant, Norma Leap, Clerk, and Dale Davenport, Attorney were also present.

Mayor Lough opened the meeting with prayer.

Mr. Ed Miller of Fralin & Waldron was present. They are developers considering a housing project just outside Elkton between Sixth Street and Route 340 and are asking the town to supply water and sewer to this project. There would be approximately forty-four to fifty units. There is a four inch water line to this area but there was some question as to whether the Fire Code would require a six inch line. Council felt they would need to know the size water line needed before they could make any decision but that possibly they would be able to give Mr. Miller an answer by the December meeting.

AAD025

Mrs. Hazel Crider of the Elkwood Subdivision was present and spoke concerning the lights in Elkwood. She pointed out that when they first requested street lights they were told there was no money available, since then they were promised two lights and so far nothing has been done about them. Yet money has been found to do other things and she feels this is very unfair. She stated she understands the town has received a rebate of approximately $82,000.00 from Vepco. She suggested several areas where this money may be used. The first she asked council to consider was electric in Elkwood. The second suggestion was to give each customer a $5.00 deduction on their water and sewer bill for one month and the third was to use some of the money for recreation.

Mr. Bill Holt stated if his memory serves him right the town has had rebates before and the town attorney at that time stated the town did not have any option but had to refund the money to the customer.

Councilwoman Life moved and as there were no objections the minutes of the regular meeting October 12, 1981 and the special meeting October 22, 1981 were approved.

Councilwoman Life stated that in answer to Mr. Holt's statement the town did receive a rebate of approximately $14,000.00 in 1978 and it was refunded to the customer. She states that in regard to the present rebate of approximately $85,500.00 she plans to stand as she did in 1978. The town was overcharged by Vepco, the people were overcharged by the town and she feels the money should go back to the people. It is not the town's to spend on anything. In regards to Mrs. Crider's remarks, she stated that they had worked very hard to get the lights in Elkwood, she thanked Mrs. Crider for her patience and could understand her impatience now. As far as recreation, she felt the people would rather have their money refunded. She pointed out that since she has been on council they have doubled the funds for recreation and now are providing a director for twenty hours a week and feels the town is giving enough money in this area that the recreation department can put up nets on the courts.

Councilwoman Life reported that the Public Safety Committee had met. Mr. Southerly, owner of the Landmark Restaurant, was notified and asked to attend their meeting and tell them his plans but he did not attend. He has had the rough spots on the roof nailed down, the T.V. antenna removed, and another room removed. It was going to be the recommendation of the Public Safety Committee to go ahead and condemn it as a public nuisance, and it does bother her that Mr. Southerly did not show up for this council meeting, but as he has been working on the building they have decided to wait until the next meeting before taking any further action.

Councilwoman Life stated that the other item of business the Public Safety Committee had was the contract with the Fire Company which should have been renewed in June. The proposed contract was reviewed. The major changes from the old contract are the monies donated will increase from $2,200.00 to $2,400.00, the town will agree to provide at their sole cost and expense dispatching services through the police department for one full year from the date the contract is signed and lowering of the ceilings in the fire hall when funds become available.

Councilwoman L. C. Life moved, seconded by Councilman V. L. Cook Jr. that council enter into the agreement as proposed with the Elkton Volunteer Fire Company and Rescue Squad. The vote was recorded as follows:

Cook - yea	Hulings - yea
Davis - yea	Life - yea
Flick - yea	Snow - yea

Councilman S. P. H. Flick moved, seconded by Councilman R. L. Snow to approve on Second Reading an additional appropriation of $2,000.00 to the legal and auditing funds.

Councilwoman Life stated that as far as she is concerned when talking about this $2,000.00 she thinks $500.00 would be an appropriate amount. She feels the other $1,500.00 was unwisely spent and that this motion should have come about in July instead of finding its head in November. If she would vote for this, which she does know we need this $2,000.00 in this area, it would be condoning the practice that was taken by this council so she cannot do that because she thinks the money was misappropriated. Her main thought is, and she hopes some of the other members of council will think about this, by voting for this you are condoning the action already taken. She closed with the following quote, "When at first we do deceive, oh what tangled webs we weave."

Councilman Hulings stated that he thinks the record shows that he certainly was not in agreement with the action taken by this council in certain meetings in June and July but it seems to him that the charter of the Town of Elkton requires the town to have an attorney and he knows of no attorney that would serve for free. So if council would happen to vote against this appropriation they would be creating as grievous an error as they have already committed.

The vote on the motion was recorded as follows:

Cook - yea	Hulings - yea
Davis - yea	Life - nay
Flick - yea	Snow - yea

Councilman Flick reported on the audit report. The report shows a surplus. It was explained to council that $34,501.00 of the excess revenue is obligated as follows:

Street Department	$ 7,737.00
Sewer Department	
Debt Service	$10,434.00
Sinking Fund	3,130.00
	$13,564.00
General Government	
Consolidation	$10,200.00
New Billing Machine	3,000.00
	$13,200.00

Councilman S. P. H. Flick moved, seconded by Councilman R. L. Snow and carried to accept the audit report.

Councilman Flick reported that last August council put the town attorney in charge of the town insurance program. The question has come up that several local agents would like to bid on the insurance and Councilman Flick ask the attorney to give the council an opinion on this.

Mr. Davenport stated that his opinion is that the town should not bid the insurance every year. He stated he had reviewed the letter from the consultant from the Virginia Municipal League who had looked over the town insurance program and also recommended that the insurance not be bid every year. Mr. Davenport felt the insurance should be reviewed every year by the Attorney, Superintendent and Insurance Agent but bid no more frequently than every three years.

Councilman Flick stated he feels we will have to go along with the attorney's recommendation and not bid the insurance this year. He pointed out that we do

not have the figures from R. Loring Cover for action tonight but he will obtain the figures and have them for a special meeting.

Councilwoman Life pointed out that what we are going to need when we do bid is spec sheets and she wants to know where we are going to get this information. Mr. Davenport said he would check with the town's agent and other agents and come back with a recommendation on this.

Councilman Hulings reported that the Electric Committee has not met since the last council meeting but will have to meet soon.

Councilman Hulings reported that he talked with Mr. Fedall from Vepco late this afternoon about the light situation in Elkwood. He assured Councilman Hulings that the poles are now in. This has been the main hold up. There is some hardware to come in but feels they should have the lights in by the end of the month.

AAD025

Councilman Hulings reported that the town is a member of the Municipal Electric Power Association of Virginia. This is an organization of town's who purchase electricity wholesale. One of the main reasons they organized was to see if they could generate some of their own electricity. They have been awarded a preliminary permit for the further study of producing hydroelectric from a dam in Cave Run, Kentucky. They have applied for this same permit at seven other dams, two of which permits have been awarded to other localities. As studies are not free, the town's percentage to continue with this study at Cave Run is $600.00. If we would receive other permits, each additional study would cost the town $501.00 each.

Councilman Hulings presented a First Reading to appropriate $600.00 to be paid to the Municipal Electric Power Association of Virginia to continue this study at Cave Run, Kentucky.

Councilman Hulings reported that we have received a refund from Vepco in the amount of $82,077.00. It has been placed in the Electric Department Sinking Fund for the present until council makes a decision on what is to be done with this money. He pointed out that we have received word from the attorneys for ElectriCities that this second refund could possibly have an error in it also and we may have to return a small percentage of the refund. The Electric Committee has not met and will not give a recommendation at this time as what to do with the money. His only suggestion is to earn as much interest as possible while waiting to decide.

Councilman Hulings reported that in September council passed a 31.4% electric rate hike by Vepco on to the consumer. The Municipal Electric Power Association has met, threatened to take Vepco to court, Vepco said let's settle out of court and if the Virginia Co-ops go along with it, they have settled out of court and reduced the 31.4% increase for Elkton by 5.3% or a savings of $27,365.00 savings per year.

Councilman Hulings reported he has talked with Gary Green who is doing our rate study. He is aware of the adjustment in Vepco's rate increase and he is waiting to get the final rates from Vepco to structure the town's rates so the town can offer in every category lower rates than out of town. He hopes these can be done by the December meeting.

Councilman Hulings pointed out that in the audit for this past year the electric fund transferred $96,820.00 into various areas. This is what the electric department gave the town for running the town. It is his feeling that instead of a refund of the money that the town received from Vepco, the town either reduce their electric rates by some percentage permanently or temporarily until we have used what council feels is a fair assessment.

Mrs. Leap reported that the utility bills will be late going out this month as the machine was down for over a week.

Councilman Davis reported that they are looking into the suggestions given at the last meeting regarding yard sales but have no recommendation at this time.

Councilman Snow pointed out that one of the observations of the auditors the other night was that the Town of Bridgewater has been able to keep their water, sewer, and electric rates down because they have been able to accumulate some large cash reserves and this money is in high interest accounts bringing in a large amount of interest each year. He feels this is something the town should look into when considering the Vepco refund.

Councilman Snow reported that the Personnel Committee met twice last week and did interviews for the jobs which were advertised. He presented the following motions as recommended by the committee.

Councilman R. L. Snow moved, seconded by Councilwoman L. C. Life that Kathy D. Kite fill the position of Dispatcher/Receptionist/Clerk effective November 11th. and Mrs. Nancy Pence be hired as the Community Services Director effective November 10th. The vote was recorded as follows:

Cook - yea	Hulings - yea
Davis - yea	Life - yea
Flick - yea	Snow - yea

Mr. Davenport reported that they have been working on the title search for the Mill Race property and they are not quite finished but should be in a week or so.

Mayor Lough read the following letter from Shirley A. O'Byrne, Chairman of the Elkton Planning Commission to the Shenandoah Planning Team, Denver Service Center/ TNE, National Park Service, 755 Parfet Street, P. O. Box 25287, Denver, CO. 80225:

> "After attending the meetings conducted by the National Park Service in Harrisonburg, Virginia on September 24, 1981 and in Elkton, Virginia on October 1, 1981, and after careful study of the Environmental Assessment--General Management Plan, it is the opinion of the Elkton Planning Commission that Shenandoah National Park boundaries should remain unchanged in Rockingham County.
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> While the Elkton Planning Commission respects the beauty of Shenandoah National Park, it concludes that planned land use outside of present park boundaries should be determined by governing bodies from within the localities rather than by the Federal Government. The Commission further concludes that since between one-third and one-half of Rockingham County's land is already occupied by the Shenandoah National Park and the George Washington National Forest, Rockingham County has been more than generous in its donation of land to park and forest services.
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> Therefore, it is the opinion of the Elkton Planning Commission that the Shenandoah National Park take steps to improve its present facilities on already established sites without further land acquisition in Rockingham County."

Council went on record as endorsing this letter.

Mayor Lough stated he would like to nominate a fourth member to the Personnel Committee, Councilman Roy E. Davis.

Councilman R. L. Snow moved, seconded by Councilwoman L. C. Life and carried that Roy E. Davis be appointed to the Personnel Committee.

As there was no further business, Councilwoman L. C. Life moved to adjourn.

MAYOR: Maurice W. Lough, Mayor

RECORDER: Norma R. Leap, Clerk