

**Town of Bluefield  
Town Council  
Work Session  
April 24, 2018**

The Bluefield, Virginia Town Council held a Work Session on Tuesday, April 24, 2018 at 6:00 p.m. in the Council Chambers of the Town Hall located at 112 Huffard Drive, Bluefield, Virginia.

**TOWN COUNCIL PRESENT**

Don Harris, Mayor  
Anglis Trigg, Jr., Councilmember  
Chuck Presley, Councilmember  
Jimmy Jones, Councilmember  
Ron Holt, Councilmember  
Lee Riffe, Vice-Mayor

**ALSO PRESENT**

Mike Watson, Town Manager  
Matt Freedman, Town Attorney  
Shane Gunter, Chief of Police  
Lesley Catron, Town Clerk  
Billie Roberts, Comm. Dev. Coordinator

**CALL TO ORDER**

Mayor Harris opened the Work Session at 6:03 p.m.

***Water Fund***

Mr. Watson stated that there were a couple of items to discuss. He stated that they needed a firm draft of the budget so it could be advertised and voted on. He stated that the water fund included a rate increase which had to be done in order to receive the grant and financing. He stated that VDH would issue financing at 2.75% over 30 years for the Capital Improvement Project. He stated that last year the rates were increased and he was looking at a 6% increase on 970k gallons or more.

Mr. Presley asked if they would have to go up again next year.

Mr. Watson stated no that this would take care of it.

Mr. Presley asked who used that much water.

Mr. Watson stated that Bluefield Beverage used too and now Aramark did but not over the 1 million gallons per month. He stated that the average customer used 3,400 gallons per month and the bill would go from \$21.20 to \$24.70, \$0.15 over what the

minimum balance would be. He stated that the Water Fund was still being subsidized by the General Fund.

Mayor Harris stated in the past that \$1-\$1.50/year was automatically added to the garbage rates.

Mr. Watson stated that it used to be \$9 and went to \$12. He stated that staff was in the process of receiving Bond Counsel for the Capital Improvement.

### ***Cemetery***

Mr. Watson stated that there were no increases in the Cemetery fund and that the salaries were paid through the General fund for the Cemetery.

### ***Transit***

Mr. Watson stated there was a 6 month difference.

### ***General Fund***

Mr. Watson stated that with the increase in healthcare there was a \$30k difference on top of changing the deductible. He stated that it was previously discussed about increasing some taxes in order to combat some of these fees. He stated that it was an additional cost of \$25k for the year and a small increase of \$5-\$13 per employee. He asked if council wanted to do some type of adjustment and that this adjustment was not covered in the budget without cutting services.

Mr. Trigg asked about a \$750 deductible.

Mr. Watson stated that they only offered \$250, \$500 and \$1,000.

Mayor Harris asked if they let it be and by increasing the deductible from \$250 to \$500 that would take \$30k out of the General Fund.

Mr. Watson stated around \$25k.

Mr. Holt proposed a \$0.05 tax increase on cigarettes. He stated that they needed to find a way to take care of their employees too.

Mr. Riffe stated that they gave a 4% raise last year and could not just keep giving. He stated that they needed to look down the road because they were going to push people out of town limits to buy.

Mr. Jones stated that he liked the cigarette tax for several reasons.

Mr. Presley stated that he agreed with Ron and Lee. He stated that Tucker called him from D.C. and a lobbyist wanted to come down and talk to them about it. He stated that they were \$0.05 away from being with WV. He asked by raising the water rates how much would be saved out of the General Fund.

Mr. Watson stated that the problem would be cutting services. He stated that they budgeted money every year to do line replacement and right now he was using Public Works guys to work on meters. He stated that he only had one crew of 3 people.

Mr. Presley asked how much it would cost to have 2 crews.

Mr. Watson stated that he was not sure. He stated that they would not see a substantial amount of savings based on that.

Mr. Presley asked if the water increase would save money over time.

Mr. Watson stated that was the goal and with the Capital Improvement Project they could put in new meters and monitor the water better. He stated that it would also help with the operational cost and billing.

Mr. Presley asked how much trash was now.

Mr. Watson stated \$12.

Mr. Presley suggested going up \$1 on the trash.

Mr. Watson stated that it would put up a \$25k increase.

Mayor Harris asked Mr. Presley if he was in favor of increasing in some other way than cigarette tax.

Mr. Presley stated yes. He stated that he had an article that Jim Justice wrote about water that he needed to bring.

Mr. Trigg suggested increasing the water \$1.50 and increasing cigarettes a little less.

Mr. Holt asked how much that would be.

Mr. Watson stated that about \$57k would be half. He stated that \$0.05 on pack would generate \$100k, 2 ½ cents on pack would generate \$50k. \$1 on trash would be about \$25k. He stated that the trash was billed with the water rates. \$7.45 to \$7.89 so \$0.62 and \$3.50 on minimum.

Mr. Presley stated that they would see savings in the future.

Mr. Holt stated that it would be more efficient services. He stated that no one blinks on water rate increases and that people weren't here for stagnant wages. He stated that the cost of services goes up and adjusting rates would hurt but they needed to look at how to hurt the citizens the least.

Mr. Trigg stated that they would need to look at property taxes soon and eventually move it up some.

Mayor Harris stated that the point Mike was trying to make was the Town would have to do labor with fewer people.

Mr. Presley stated since it was an issue then they should look at doing something with property tax and that it did not have to go up much.

Mayor Harris stated that they were evading the question.

Mr. Holt stated that he liked Anglis's suggestion about \$1 on trash and 2 ½ cents on cigarettes.

Mr. Jones stated that the county was about \$3 million behind in property taxes.

Mr. Trigg stated that they had gone revenue neutral.

Mr. Holt asked if they would still give \$500 across the board to the employees.

Mr. Watson stated that it was a cost of \$25k to the Town and if they gave an additional \$500 per employee that would be around \$30k-\$45k.

Mr. Riffe stated a total of \$70k.

Mr. Jones stated that he liked the idea.

Mr. Riffe stated that he was still opposed to it and they needed to look at raises to come.

Mr. Trigg stated that next year they may not get anything.

Mr. Riffe questioned if they had too many employees in certain places. He stated that he was for the \$1 increase on trash but thought that the cigarette tax would kill their sales.

Mr. Presley stated that he felt the same on the cigarette tax.

Mr. Freedman stated on a tax increase they would have to have 4 in agreement.

Mayor Harris stated that he was in favor of Anglis's suggestions. \$1 on trash and 2 ½ cents on the cigarette stamp and \$500 to each employee.

Mr. Freedman stated that it would require a Public Hearing on the Budget and Cigarette Tax increase and Mike would just add it to the budget.

Mr. Watson stated that a few requests had not been included such as the Split AAU Travel Basketball.

Mr. Riffe asked if Todd got his.

Mr. Watson stated that he was not sure.

Mr. Trigg suggested that they freeze donations and if they did not apply for them, then pull them out of the system.

Mayor Harris stated that was what Mike was doing.

Mr. Watson stated that the AAU asked for \$2,500 and that he also received requests from the Sedgewood Association, Heart of Appalachia and Tazewell Fair Association.

Mr. Jones asked how many were in the AAU that lived in Bluefield, VA.

Mr. Trigg stated that they were from Tazewell to Bluefield, WV.

Mr. Holt asked if they did fundraisers.

Mrs. Roberts stated yes.

Mr. Trigg suggested getting some older folks or someone to take on BINGO to help everyone because there was a lot of money in it.

Mayor Harris stated that they were not having BINGO now.

Mr. Trigg stated that people liked to gamble.

Mrs. Roberts stated that the wrestling group did it out of town and made a ton of money.

Mr. Watson asked if it would be split between the two AAU teams.

Mrs. Roberts stated that if it was not being requested the West Graham Warriors would like to request it.

Mr. Watson stated that they did request it this year.

Mr. Trigg stated that Todd Baker put in a lot of time and did a good job.

Mr. Riffe stated that it could not be split if he was using it.

Mrs. Roberts stated that if he was using it that was fine.

Mr. Watson stated that he would leave it the way it was and suggested they could enter a new request. He stated that there was another sports team looking for recognition. He stated that it was not a state title and asked if council wanted to do a PIC Award or a Resolution.

Mr. Holt asked if they could be discussed on individual merit rather than a blanket policy.

Mr. Presley stated that if they won then it should be a Resolution.

Mr. Riffe stated that State Champions should get a Resolution and 2<sup>nd</sup> Place a PIC Award.

Mr. Presley stated that they did not deserve a Resolution for being in the semi-finals.

Mr. Watson stated that he would send out an email for council to discuss at a later time.

**ADJOURN**

Mayor Harris adjourned the Work Session at 7:00 p.m.

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Don Harris, Mayor

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Lesley Catron, Town Clerk