

Community Meeting Questions and Town Responses

Town of Rich Creek
Midway Area Boundary Adjustment

December 6, 2016

Revised February 28, 2017

A. Introduction

These materials respond to questions submitted by citizens during or before the September 20, 2016 Community Meeting. The responses are based on the information available to the Town staff as of September 6, 2016. In a few cases, the Town staff is still researching the information needed to respond to questions. The Town will provide updated responses as more information becomes available. Some of the issues addressed will necessarily require evaluation and consideration by Town Council in the future.

The revised February 28, 2017 version of this document responds to additional questions raised at the December 6, 2016 Community Meeting.

B. Benefits

1. How can the boundary adjustment help me?

The Midway area residents will benefit from the boundary adjustment in several ways:

1. **The water and sewer rates will be reduced to in-town rates. The Town estimates that the average Midway residents will save approximately \$211.97 per year in water charges and \$132.86 per year in sewer charges. See Table 12, page 20; April 15, 2016 Growth Area Study (“Growth Area Study”). The Town estimates that the lower water and sewer rates will more than offset the cost of Town taxes on Midway residents. The lower water and sewer rates also include lower connection fees. A water rate increase went into effect in November 2015. The water rates went up in-town by \$0.55 per thousand gallons and by \$0.56 for out-of-town customers. Tables 10, 12, and 13 from the Growth Area Study were calculated based on the prior water rate schedule.**
2. **The Town will provide regular police patrol and response services in the Midway area. These law enforcement services will include more frequent patrols, improved response times, and periodic checks of business locations.**
3. **The Town will provide speed limit enforcement on Route 219.**
4. **The Town will provide infrastructure improvements over time. The Town has a strong track record of participating in loans/grants/matching fund programs to pay for infrastructure improvements. See Growth Area Study, pages 4-5, 11-13.**

The Town provided information on its infrastructure projects over the last ten years at the September 20, 2016 Community Meeting. These projects include:

- a) New Glen Creek wastewater treatment plant. (2013).**
- b) New Midway area sewer pump station. (2012).**
- c) Sewer line rehabilitation project. (2013).**
- d) Water system improvements (ongoing).**
- e) Sewer system debt retirement for the old sewage treatment plant and the Midway area sewer system. (2015).**
- f) Downtown enhancement project. (2015 and ongoing).**
- g) Woodland Park Playground improvements. (2012).**
- h) Library improvements. (2010).**
- i) Community Center and Woodland Park Shelters. (2016).**
- j) Summit Place. (2015).**

The Town anticipates installing streetlights in Midway along Route 219 using spacing similar to the spacing used in the existing Town; approximately every other pole and at street intersections.

The possible improvements in the Midway area include additional streetlights, curb, gutter, and sidewalks in appropriate locations.

- 5. The Town will establish an incentive program for businesses to pay some of the cost for site improvements to make businesses easier and safer to access and to make business locations more attractive. The Town will dedicate a portion of the business license tax revenue from the Midway area to infrastructure improvements serving the area and to the incentive program.**

The goal of the incentive program will be to encourage business growth and improve Town services.

- 6. The Town periodically collects bulk items for disposal at no charge.**
 - 7. Midway residents will have the opportunity to serve in Town offices and on Town committees.**
 - 8. Midway residents will benefit from more direct and focused local government services.**
 - 9. The Town will seek funding (grants, loans, and Town matching funds) to extend water and sewer services where needed and where financially feasible.**
 - 10. The Town's vision is that, over time, the Midway area will be a more prosperous, safer, and better place to live.**
2. What services will the Town provide in Midway?

The Town will provide municipal services to the Midway area. These services include:

- 1. Water and sewer at lower in-town rates.**
- 2. Regular police patrols and response. Quicker response to emergency calls.**
- 3. Speed limit enforcement.**
- 4. Land use and zoning regulations suitable for a developed area.**
- 5. Library.**
- 6. Parks and recreations, athletics fields.**
- 7. Community Center.**
- 8. Streetlights.**
- 9. Infrastructure improvement programs similar to the Downtown Revitalization Program.**
- 10. Periodic bulk refuse collection.**

The Town will have a direct responsibility to provide municipal services in the Midway area as it does with respect to all Town residents. The Town will also evaluate additional services for the Midway area as are desired and financially practical. These additional services could include:

- i. Additional roadside mowing program.**
- ii. Additional roadside ditch clean out program.**
- iii. Additional litter pickup program.**
- iv. Additional water and sewer extensions to unserved areas.**

3. Why does the Town want to adjust its boundaries?

The Town expects that the boundary adjustment will benefit the Town, the County and the residents and property owners of the Midway area. The Town will benefit because it will have a higher population and more vitality, and the Town's tax base will be expanded to be consistent with its existing municipal service area. The County will benefit because the Town will be healthier and more vital and because the Town will have direct local government responsibility for providing municipal services and infrastructure improvements to serve the Midway area. The residents and property owners of the Midway area will benefit because the Town will have direct responsibility for providing municipal services, the in-town water and sewer rates will be lower in the Midway area, and there will be new infrastructure improvements serving the area.

The Midway area has experienced growth and development over the last ten years, including the Family Dollar Store, Happy Days Drive-In, Midway Storage, Auto Express Heavy Equipment Sales, Grants Supermarket, and the Hoot-n-Nanny's Shop. All of these new and expanded businesses are Town water and sewer customers. This growth and development would not have been possible without Town water and sewer services.

There are only a few practical development sites in the existing Town. Bringing the Midway area into the Town will give the Town an opportunity to participate in the benefits of growth and development in the Midway area.

The Town already provides municipal services to the Midway area, and the residents of the Midway area already use Town services and facilities. In short, the Town and the Midway area have a community of interests based on location, transportation patterns, and the use of Town facilities and services.

The Midway area receives most of its municipal services from or through the Town. These services include parks and recreation, library, public safety, and most importantly, water and sewer. Giles County does not provide those services, except for law enforcement services through the Sheriff's

Department, in this part of Giles County. See Growth Area Study, pages 5-6, 22.

The Town's boundaries have not changed since it was incorporated. Over the years, the Town has made its water and sewer services available to its neighbors in the County. The Town wants to make its boundary consistent with its service area.

Over the years, the Town has developed to the point that there is little vacant land in the Town that is practical or available for development. The Midway area is a good opportunity for economic development, but the area needs to be the focus of a local government effort to attract new grants and funding for improvements.

4. How does the Town plan to address the objections of Midway residents and businesses?

The Town hopes that Midway residents and businesses will understand the benefits of the boundary adjustment as described above. The Town will use its best efforts to provide information to the residents and businesses in Midway with respect to the boundary adjustment.

5. What if a Midway resident made a choice to locate outside of Town?

The Town understands that some citizens chose to live outside the Town. The proximity of the Town and the availability of Town services contribute to making Midway an attractive area to live and work. Midway residents have a community of interests with the Town because of proximity and the availability of Town services and facilities. The Town expects that the boundary adjustment will make Midway an even more attractive area to live and work.

6. Will Midway residents be allowed to run for Town office and serve on Town committees?

Midway residents will be entitled to seek Town offices and serve on Town committees like all other Town residents. Midway residents will have a direct voice in Town affairs.

7. Are we going to lose businesses if the Town takes Midway?
 - a. Will the boundary adjustment discourage businesses from coming to Midway?

See answer to Questions 8 and 9 below.

8. Will the Town bring new businesses and create jobs?

The Town expects that the boundary adjustment will encourage business growth and activity. Midway is an attractive location for businesses because of its location of Route 219 bordering the Town, the high traffic count, and the availability of Town services. The Town's infrastructure improvement programs will, over time, make the Midway area more attractive for businesses. The response to Question 9 below addresses this issue as well.

9. How will the boundary adjustment benefit businesses in Midway?

The boundary adjustment will benefit Midway businesses in several ways:

- a) **Lower water and sewer rates.**
- b) **Lower water and sewer connection fees.**
- c) **Regular police patrols and quicker response times.**
- d) **Periodic business location checks by police.**
- e) **Land use regulations that are appropriate for a developed area with mixed uses.**
- f) **Infrastructure improvement programs.**
- g) **Business site improvement incentive program.**

The Town acknowledges that some Midway businesses will have more taxes with respect to meals, tobacco and business license taxes. The Town believes, however, that the benefits listed above will substantially offset and reduce any resulting burden.

10. Will the boundary adjustment cause property values to depreciate?

The Town anticipates that the boundary adjustment will result in higher property values. The values of residential and commercial properties are generally higher in towns than in unincorporated areas of the County.

11. How will the trailer park residents benefit?

The trailer park residents will benefit in the same way as all other Town residents, as described above.

12. What is the Town doing to assist in finding and keeping tenants in vacant building in the Town?

The Town has implemented an ongoing downtown revitalization program, beginning in 2004. This program is described on page 4 of the Growth Area Study. The downtown area has better infrastructure and improvements as a result of this long-term program. The Town plans to continue these efforts. The Town business license tax revenues have increased substantially over the last ten years. This increase results from improved business activity in the Town.

13. Additional questions raised at the December 6, 2016 Community Meeting.

A. Who drew up the boundary adjustment area?

- a. What were their qualifications?
- b. What were the criteria for property included in the boundary adjustment area?
- c. Can the Town revise the boundary adjustment area to delete some properties?

The Town staff developed the boundary adjustment area with the assistance of the New River Valley Planning District Commission staff and the Town's consultants. The criteria for including properties within the boundary adjustment area included:

- a. Proximity to the Town.
- b. Frontage on Route 219.
- c. Properties that are Town water and/or sewer customers.
- d. Properties that are developed or suitable for future development.
- e. Properties and uses that could benefit from Town services.
- f. Properties that would make the Town's existing service area consistent with its boundaries.

The intent of designating the boundary adjustment area is to make the Town's boundaries consistent with its service area. The Town's vision is to improve the infrastructure and public facilities in the Midway area over time to promote high quality community development in Midway.

In designating the boundary adjustment area, the Town excluded larger agricultural properties and properties that are not suitable for development. The Town anticipates that the specific properties included in the boundary adjustment area can be revised based on input from the County and Midway property owners.

In developing the boundary adjustment area, the Town staff applied its familiarity with the Town and the Midway area, and their knowledge concerning the municipal services provided by the Town. The Planning District Commission staff assisted in the process. The Town's consultants also provided input.

B. Why was the Beckett property not included?

The Beckett property is not in the boundary adjustment area because it is a large agricultural property with a single house.

C. Why was the Court Buckland property not included?

The Town staff is not familiar with the Court Buckland property.

D. Was there any agreement by the Town to exclude properties?

There were no agreements between the Town and property owners as to which properties would be included in the boundary adjustment area.

E. Finances

14. Why the sudden concern? Is the Town in debt or out of money?

The Town has consistently operated with a balanced budget and regularly ended the fiscal year with a surplus. The Town has maintained its tax rates at stable levels. The Town has maintained a general fund surplus within the levels recommended for small towns. The Growth Area Study discusses the Town's financial position at pages 6-13.

The Town has a long history of participating in grant/loans/matching fund programs to pay for infrastructure improvements. The Town has only one outstanding long term loan with the USDA Rural Development agency. This loan was issued in 2011 to fund sewer improvements. The Town's debt position is discussed at pages 12-13 of the Growth Area Study.

The Town has studied possible boundary adjustment issues since 2007. The Town already provides services to the Midway area (water, sewer, and law enforcement response as dispatched). Midway residents already use Town facilities and shop at Town businesses. The Midway area has grown, in part, due to the availability of Town services and facilities and the close proximity of the Town. The Town expects that the boundary adjustment will benefit the Town and Midway residents by contributing to an economically prosperous area.

15. Can the Town guarantee that my overall cost will be reduced?

The Town estimates that the average Midway resident will have lower costs. The Growth Area Study discusses the expected financial impact on Midway residents at pages 19-20. Table 13 (page 20) summarizes this analysis:

Table 13: Impact to Midway Resident	
Real Estate & Utilities	
Potential Annual Real Estate Cost	(\$107.73)
Potential Annual Utilities Savings	\$344.83
Total Impact to Resident – Lower Cost	\$237.10

As noted in the answer to Question 1 above, Table 13 is based on the water rate schedule in effect before November 2015, when the Town implemented a water rate increase.

The Table 13 does not include personal property tax (automobile).

16. How can the cut in water and sewer rates justify the extra tax revenue the Town will collect?

The reduced in-town water and sewer rates offset the cost of Town taxes for most Midway residents and many businesses. The Town already provides services in the Midway area and Midway residents use Town services and facilities. The boundary adjustment will make the Town boundary consistent with the Town’s municipal service area.

17. How will the Town use the tax revenue from Midway?

All tax revenues go into the Town’s general fund and are used for Town operations. Water and sewer revenues go into a separate fund specifically for water and sewer operations. The Town will use the tax revenue from Midway to provide Town services to Midway and the rest of the Town. Some of the revenue will pay the cost for improved police and law enforcement services and new street lights. Some of the revenue will offset the revenue lost because of lower in-town water and sewer rates in Midway. Some of the revenue will be used to support infrastructure improvements and business incentive improvements in the Midway area.

18. What consideration has the Town given to the negative impact of new Town taxes on commercial businesses?

The Town has taken into account the impact of Town taxes on commercial businesses. The burden of new taxes will be offset by lower water and sewer

cost to an extent. Businesses in Midway will benefit from increased police patrols and quicker response times. Businesses will also benefit from the Town’s infrastructure improvement and the incentive programs. The answers to Questions 8 and 9 above address this issue as well.

19. How can the Town balance the budget with the projected \$23,900 after the additional costs associated with the boundary adjustment?

The Growth Area Study sets out the expected financial impact of the boundary adjustment on the Town at pages 13-19. Table 10 (page 17) summarizes this analysis:

Table 10: Annual Fiscal Impact on Town	
<i>Revenue Source</i>	<i>Estimated Amount from Midway</i>
Personal Property*	\$15,700
Real Estate	\$32,947
Sales Tax	\$12,800
Mobile Home Tax	\$1,900
Consumer & Business Utility Tax	\$8,400
Auto License Tax	\$3,900
Business License Tax	\$20,500
Communication Sales Tax	\$3,400
Meals Tax	\$17,300
Tobacco Tax	\$12,500
Other Local Taxes & Fees	\$2,000
Water & Sewer	(\$47,742)
Total Revenues:	\$83,605
<i>Expense Source</i>	<i>Estimated Amount from Midway</i>
Law Enforcement – Personnel	\$43,700
Law Enforcement – Other	\$10,000
Street Lights	\$6,000
Total Expenses:	\$59,700
Net Revenue:	\$23,905

As noted in the answers to Questions 1 and 14 above, Table 10 is based on the water rate schedule in effect prior to November 2015.

After considering the expected cost and revenues, the Town anticipates a modest financial positive. The Town anticipates the future growth in Midway will provide additional financial benefits to the Town. The Town will also

realize intangible benefits from a greater population and more vitality and activity.

20. How does the Town plan to make up the revenue lost with lower water and sewer rates for Midway customers?

This issue is discussed in the answer to Question 18 above. If there is a shortfall in the water and sewer fund as a result of the equalization of water and sewer rates in Midway, the shortfall can be covered through transfers between the Town's general fund and the water and sewer fund. The Town does not expect any material effect in this area.

21. How will the Town tax mobile homes?

The Town will tax mobile homes based on the County's real estate assessment. The Town understands that the County assesses mobile homes as real estate and the assessed value of the mobile home is stated on the County's real estate tax statement. The Town tax will be based on the value assessed by the County. For example if the County assesses a mobile home at \$30,000, the annual town tax would be \$60.

22. Will there be a business license tax on a mobile home park?

The Town business license tax does not apply to rental property.

23. Will there a tax on food versus a tax on housewares? How will the rates be affected?

The Town does not impose a sales tax on the sale of any goods or on food. The sales tax is a State tax that applies equally in all jurisdictions. There is no Town tax on housewares. The Town imposes a meals tax on restaurant meals of four percent.

24. Will there be an inventory tax at the end of the year?

The Town does not impose an inventory or merchants capital tax.

25. Additional questions raised at the December 6, 2016 Community Meeting.

- A. Will the Town allow a tax break for elderly and disabled property owners like the County does?

Under Virginia law, counties, cities and towns are authorized to partially exempt or defer the taxation of real estate for elderly or disabled property owners. The County has implemented these exceptions in the County Code.

The Town Council will consider implementing a parallel exemption system similar to the system implemented by the County.

B. Is the money the Town receives from the State for automobile/personal property tax a speculative grant?

No. Va. Code § 58.1-3524 provides that the Commonwealth shall reimburse counties, cities and towns for the cost of the tangible personal property tax relief program implemented by Governor Jim Gilmore in 1998. These State payments are required under the Code of Virginia; they are not discretionary grants.

C. Is the Towns existing debt large?

No. The Town's Annual Financial Report summarizes the Town's debt each year. The Code of Virginia authorizes the Town to issue general obligation bonds up to ten percent (10%) of the assessed value of real estate in the Town subject to taxation. Va. Code § 15.2-2634.

The 2016 Annual Financial Report (Draft) reports that the Town has issued one general obligation bond designated as the: "\$1, 905,000 Rural Development Bond, Issued September 1, 2011." The current balance due on this bond is \$1,817,709. (2016 Annual Financial Report, Note 6 (B)).

The 2016 Annual Financial Report reports that the assessed value of real estate in the Town is \$40,024,200 (Table 6), The Town, therefore has substantial available borrowing capacity.

The 2011 Rural Development Revenue Bond financed a portion of the cost of the 200,000 gallon per day Glen Creek Wastewater Treatment Plant. The Glen Creek Wastewater Treatment Plant services the Town, the Midway area, and the Town of Glen Lynn. The Town completed construction of the Glen Creek Wastewater Treatment Plant in 2013 at a cost of \$2,900,000. The Town paid for this project using the 2011 \$1,905,000 Rural Development Revenue Bond, a Rural Development grant and Town matching funds.

D. Water and Sewer

26. Will water and sewer rates be reduced?

Midway residents and businesses will enjoy lower in-town water and sewer rates and connection fees. The Growth Area Study discusses the effect of lower in-town water and sewer rates at page 20. Table 12 (page 20) sets out the analysis:

Table 12: Impact to Midway Resident		
Utilities – Residential		
	<i>Water</i>	<i>Sewer</i>
In-Town Rate	\$14.72/2,000 + \$7.36	\$20.50/2,000 + \$7.55
Out-of-Town Rate	\$25.76/2,000 + \$12.88	\$28.20/2,000 + \$10.36
Rate Decrease Amount	\$11.04/2,000 + \$5.52	\$7.70/2,000 + \$2.81
Example:*		
Current Out-of-Town Payment	\$41.22	\$40.63
Potential In-Town Payment	\$23.55	\$29.56
Potential Monthly Savings	\$17.66	\$11.07
Potential Annual Savings	\$211.97	\$132.86

This analysis shows total savings from lower in-town water and sewer rates of \$344 per year for the average Midway household.

As noted above, Table 12 is based on the water rate schedule in effect prior to November 2015.

27. If water and sewer rates are reduced, will the savings be lost due to other taxes like property taxes?

The Growth Area Study discusses how lower in-town water and sewer rates will offset Town taxes on page 20. Table 13 (page 20) sets out the analysis:

Table 13: Impact to Midway Resident	
Real Estate & Utilities	
Potential Annual Real Estate Cost	(\$107.73)
Potential Annual Utilities Savings	\$344.83
Total Impact to Resident- Lower Cost	\$237.10

This analysis shows that the average Midway household will save \$237 from the effect of lower in-town water and sewer rates after taking into account the Town real estate tax.

As noted above, Table 13 is based on the water rate schedule in effect prior to November 2015.

28. Will the Town increase water and sewer rates once Midway is part of the Town?

The Town does not anticipate increasing water and sewer rates as a result of the boundary adjustment. The Town works hard to keep its water and sewer rates as low as possible. Any future increase in water and sewer rates must be made by Town Council after a full public hearing process.

29. How did the Midway Sewer Project get started and why? When was the project completed? When did the Town payoff the debt? What is the current status of the Midway project?

In the early 1980's, sewer improvements were necessary in the Midway area because septic systems were failing, suitable areas for replacement septic systems were not available (the land would not percolate), and there was a demand for commercial and residential development that required the availability of Town sewer service. The Town and the County decided that the Town would apply for grant funds and loans and extend service to Midway. The project was completed in the mid-to-late 1980's. The Town has upgraded parts of the sewer system in the Midway area since then. The Town paid off the original loan in October 2007. The Town now operates and maintains the system.

30. Will my water service improve? I have low pressure and muddy water.

The Town investigates all complaints about water quality on a case by case basis. The Town takes appropriate action to correct any problems found with the service. In some cases, the cause of problems is found to be on the customer's side of the meter. In such cases, the Town informs the customer and offers appropriate assistance with the corrective action. The Town has few complaints concerning the quality of its water service. The Town will be happy to respond to and address any reported problems with water quality that are caused by the Town's water system. The Town works hard to maintain high quality service.

31. Additional questions raised at the December 6, 2016 Community Meeting.

Water quality issue.

The answer to Question 30 above also addresses the water quality issue. The Town buys bulk water from the Giles County Public Service Authority. The Public Service Authority is subject to the water quality provisions based on its member agreements with the five towns in Giles County and the regulations of the Virginia Departments of Environmental Quality and the Department of Health. The Town files an Annual Drinking Water Quality Report. The report is available on the Town's website. The Town's water quality results meet all federal requirements.

32. Will the Town install sewer where that service is not available to a property?

If a property owner requests an extension of sewer, the Town will consider such a request, especially if that extension could serve other properties or economic growth in the area.

The Town will evaluate any requested extension of water and sewer service. The Growth Area Study discusses the number of Town water and sewer customers in the Midway area at pages 14-16 (Table 6 & 7). Table 6 reports that out of an estimated 223 structures, 145 are Town water customers and 128 are Town sewer customers. The large majority of structures in the Midway area, therefore, are Town utility customers. Also, mobile homes may be counted as unserved structures even if they use Town water if they are served through a private water system with a master meter.

Some of the structures that are not served declined the opportunity to have service extended to their properties when utilities were installed. In a few cases, it may not be financially feasible to extend utilities to unserved structures because of location issues.

33. If no sewer service is available, would I be eligible for a lower tax rate?

The Town real estate tax rate is not affected by whether the property is served by Town water or sewer. State law does not allow a different real estate tax rate in such circumstances. Once a real estate tax rate is set, it must apply to all real estate equally.

34. What happened to the grant money to run sewer to the five properties on Buckland Lane?

The Town understands that the property owners on Buckland Lane did not want sewer service at the time the sewer line was installed. The grant funds were used to extend sewer along Church Street to serve other properties outside of the Town. The Rural Development agency approved this action.

35. How long has the Town been charging out-of-town water and sewer rates higher than in-town rates?

The Town has charged higher out-of-town water and sewer rates since at least 1996.

36. Will the Town charge for water and sewer hook-ups for each lot in a trailer park?

The Town understands that the mobile home park is served by one master water meter and the park owner operates a private water system serving the individual trailers. If the mobile home park owner wishes to convert the

private system to a Town system, the system would have to be evaluated to determine what improvements would be needed for engineering reasons. The Town would be happy to discuss a cost sharing arrangement and potentially reduced connection fees in connection with such conversion project.

37. Will the Town take over reading the water meters in a trailer park and billing the individual tenants?

If a private water system serving a trailer park was converted to the Town's system, including any necessary engineering improvements and arrangements for connection fees, the Town would then be responsible for reading individual meters and billing the customer.

38. Additional questions raised at the December 6, 2016 Community Meeting.

A. Two houses on Market Street do not have sewer; Why not?

It is common for a few occupied properties in cities and towns not to be served by municipal water or sewer, usually because of location issues. The overwhelming majority of structures in the Town are served by Town water and sewer. There are two houses on Market Street that are not served by Town sewer because of location and topography issues. The Town understands that these houses are served by well-functioning septic systems. If these septic systems failed in the future, the Town would work with the property owners to address the issue.

B. How will the Town hook on to a sewer system it does not own in the area of Longview Estates?

If there is a need for sewer service for properties on the other side of the Longview Estates property, the Town would have two options. First, the Town could install sewer lines bypassing Longview Estates to serve the properties needing service. Second, the Town could work with the owner of the Longview Estate property to determine if the existing private system could be connected to the Town system.

C. Did the Town breach its contract obligations to the FmHA by paying off the Midway sewer debt in 2007?

d. Why was the Midway sewer project necessary?

e. Is the FmHA refusing Town applications because the debt service is not fairly figured?

The Town constructed the Midway sewer improvements in the mid-1980's. The sewer improvements were necessary because septic systems were failing in

the Midway area, suitable areas for replacement septic systems were not available (the land would not percolate), and there was demand for commercial and residential development that required the availability of Town sewer service.

The Midway sewer improvements included the installation of sewer lines to serve most of the Midway area, the connection of approximately 125 sewer customers, the construction of the Midway pump station, and the connections to the Town's existing sewer system.

The Town funded the project with a grant from the Farmers Home Administration (FmHA), Town matching funds, and the 1983 \$233,000 Sewer System Revenue Bond. The FmHA was the lender on the bond.

The Town authorized the 1983 Sewer System Revenue Bond by the adoption of an Ordinance dated July 13, 1983. Sections 5.9 and 7.1 of the Ordinance pledge the revenues of the Town's sewer system to secure the payment of the bond. Section 7.1 also states that the bond is not a debt or pledge of the full faith and credit of the Town. The bond therefore, was a "revenue bond" and not a "general obligation bond." The pledge of revenues included all of the sewer system revenues, not just the revenue from the Midway area.

Section 3.8 of the Ordinance authorized the Town to prepay the bond at any time using any source of funds. Section 8.1 provided that the Town would be discharged from its obligations upon the payment of the bond. The Ordinance did not restrict what funds the Town could use to pay the bond off or when the bond could be paid.

The Ordinance provided for the maintenance of a reserve fund while the bond was outstanding. Section 5.7. The requirement to maintain the reserve fund ended when the Town paid off the 1983 Sewer System Revenue Bond. Section 8.1.

The Town decided to pay the 1983 Sewer System Revenue Bond off in 2007, by using available funds, in order to reduce the overall cost of the project. The Town was also anticipating future sewer system improvement needs. The Town did not breach its obligations to the FmHA by paying the bond early. To the contrary, the Ordinance specifically authorized the Town to pay the bond early using funds from any source.

The Town is in good standing with the U.S. Department of Agriculture Rural Development agency (the successor to the FmHA). As discussed above, Rural Development funded the Glen Creek Wastewater Treatment Plant project, completed in 2013, by a combination of grants and loans.

E. Other Services

39. Will the Town provide curb, gutter, sidewalks and street lights?

The Town will provide streetscape improvements where needed and where practical and financially feasible. The Town anticipates using loans/grants/matching fund programs to make infrastructure improvements in the Midway area over time. The Town goal is to improve access, functionality, and the appearance of the streetscape in the Midway area over time.

40. Will the Town start paying for existing private street lights?

The Town will assume the costs of streetlights on public roads. Dusk to dawn lights on private property will be the responsibility of the property owners.

41. Will the Town hire another police officer to patrol?

The Town anticipates hiring an additional police officer to provide improved patrol, response and related services during more hours of the day and the week. The Growth Area Study discusses this issue on pages 5, 17 (Table 10) and 22.

42. Will there be a police sub-station in Midway?

The Town does not anticipate establishing a police sub-station in Midway.

43. Will there be a fire station in Midway?

The Rich Creek Volunteer Fire Department will continue to serve the Midway area. The Town does not anticipate that a new fire station will be needed in Midway.

44. Will the Town provide speed limit enforcement on Rt. 219?

The Town expects to provide speed limit enforcement in Midway on Route 219. The frequency of speed limit enforcement activity will depend on the input of Midway residents and businesses.

45. Will all Town laws be enforced in Midway?

The Town anticipates enforcing Town laws in the Midway area in a manner consistent with the enforcement of Town laws in the existing Town. As discussed below, the Town will consider amendments to Town ordinances to take into account uses and activities (such as hunting and target shooting) suitable for larger undeveloped parcels.

46. Will the Town charge for household garbage pickup?

The Town is a member of the Giles County Public Service Authority. The PSA provides household refuse collection services in Midway and bills for that service. The PSA will continue to provide household refuse collection services.

47. Will the Town charge for bulk refuse collection?

The Town provides bulk collection services (appliances, tires, furniture, etc.) on a periodic basis without charge. The Town also provides a place for residents to dispose of brush, leaves, and lawn clippings at no charge.

48. Will the Town be responsible for snow removal on public roads?

The Virginia Department of Transportation is responsible for snow removal in the Midway area (and in the Town) and will continue to provide that service.

49. Will the Town mow roadsides?

VDOT is responsible for mowing roadsides. The Town will evaluate whether a roadside mowing program (in addition to the VDOT program) is necessary and appropriate for the Midway area. The Town currently has a mowing program for public areas. This program could be extended to some areas in Midway where major traffic control is not required.

50. Will the Town clean out roadside ditches?

VDOT is responsible for cleaning out roadside ditches. The Town will evaluate whether a roadside ditch cleaning program (in addition to the VDOT program) is necessary and appropriate in the Midway area. The Town does not currently have the equipment to clean out roadside ditches.

51. Will the Town pick up litter?

The State provides grants to the localities for litter programs. The Town grant is paid to Giles County which manages a County-wide litter program. The Town will evaluate whether a litter program (in addition to the County program) is necessary and appropriate for Midway.

52. Does the Town limit the number of pets?

Town ordinances do not limit the number of pets a property owner may keep. The Town Zoning Ordinance does regulate the operations of kennels.

53. Does the Town limit the keeping of livestock?

Town ordinances do not limit the keeping of livestock on properties zoned for agricultural uses.

54. Does the Town require fencing?

New fencing must meet Code requirements and a zoning permit must be obtained. There is a \$10 application fee for the zoning permit.

55. Does the Town dictate when lawns must be mowed?

Town ordinances provide that grass must be kept below 12 inches.

56. Can I keep a stack of firewood on my property?

Town ordinances do not restrict keeping stacks of firewood.

F. Land Use and Zoning

57. What impact will zoning changes have?

The Town does not expect significant changes in zoning in the Midway area. The County Zoning Ordinance designates most of the properties in Midway as residential, commercial or agricultural. The Town anticipates that zoning designations under the Town Ordinance will be consistent with the existing uses of land. The Town anticipates that existing commercial uses will be zoned as commercial properties; existing residential uses will be zoned as residential uses; and existing agricultural uses will be zoned for agricultural purposes. The Town Zoning Ordinance reflects zoning regulations suitable for developed areas. The Town anticipates that undeveloped properties devoted to agricultural and similar uses will remain designated for those uses. Any zoning changes will be preceded by appropriate study and a public hearing process.

58. Will the Town dictate how many sheds I can have on my property?

The Town Zoning Ordinance treats sheds as accessory or auxiliary uses. The Zoning Ordinance does not generally restrict the number of sheds on a property. A property owner must obtain a zoning permit (\$10 application fee) to construct a new shed. New sheds must meet setback requirements. The Zoning Ordinance does not restrict the size of sheds.

59. Will the Town dictate how large a vegetable garden I can have?

Town ordinances do not restrict the size of a vegetable garden.

60. Additional questions raised at the December 6, 2016 Community Meeting.

A. Will there be a grandfather clause for trailers? Will trailers not in mobile home parks be allowed to remain?

The Town's Zoning ordinance provides that existing mobile homes can remain in place and continue to be used as lawful non-conforming uses. Town Zoning Ordinance § 18-707.

B. Does the Town allow trailers? Will replacement trailers be allowed in a mobile home park?

Virginia law provides that a landowner or a homeowner may remove a mobile home from an existing mobile home park and replace that mobile home with a comparable mobile home that meets the current HUD manufactured housing code. Va. Code § 15.2-2307(H).

The Town Zoning Ordinance allows mobile home parks in the R-4 district. Town Zoning Ordinance § 18-605.02. The Town Zoning Ordinance also allows mobile homes as a conditional use in the agricultural district. Town Zoning Ordinance § 18-601.03-12.

C. Will logging be allowed?

The Town Zoning Ordinance allows timber production as a permitted use in the agricultural district. Town Zoning Ordinance § 18-601.02-3.

D. Will horses, cattle and other animals be allowed?

The Town Zoning Ordinance allows agricultural uses and livestock as permitted uses in the agricultural district. Town Zoning Ordinance §§ 18-601.02-8, 9, 10 and 11. The Town Zoning Ordinance allows livestock as a permitted use in the low density R-1 district. Town Zoning Ordinance § 18-602.03-8.

G. Miscellaneous

61. Will the boundary adjustment change my mailing address?

Midway residents now have a Narrows address. This address practice has caused confusion with UPS, FedEx and similar companies. The United States Postal Service establishes the mailing addresses. The Town will request the Postal Service to evaluate the appropriate mailing address for properties in the Midway area.

62. Will Midway be called Rich Creek, Narrows or Midway?

The Midway area will continue to be called the Midway area as part of the Town.

63. Will hunting and target practice be allowed?

The Town will evaluate appropriate amendments to its ordinances to allow hunting and target practice on larger parcels of land.

64. What will the speed limit be on Rt. 219? Will the Town enforce the speed limit?

The Virginia Department of Transportation sets the speed limit on Route 219. The Town will ask VDOT to review and evaluate the appropriate speed limit for Route 219.

65. Will the Town pave the rest of Scenic Lane?

The Town does not pave private roads. The acceptance of private roads into the State highway system is governed by VDOT.

66. If my address is in Narrows, can I rent the park shelter in my name?

During January of each year, the shelter at Woodland Park may be reserved only by Town residents. After January, the shelter is available for reservations by anyone at the same rate as in-town residents. Shelter may be used anytime by anyone when not reserved.

67. Will the Town Manager salary remain the same?

The Town Manager's salary is not linked to the boundary adjustment.

68. Additional questions raised at the December 6, 2016 Community Meeting.

A. Recognition of Lions Club.

The Town recognizes the long standing and significant contributions of the Lions Club to numerous projects throughout the Town, including the new playground and the community shelters. The Lions Club contributed substantial funds to the Woodland Park playground and the shelter projects. The Town notes that it provided most of the funds for the playground and the shelters and all of the labor for these projects.

H. Process

69. What is the difference between a boundary adjustment and an annexation?

A boundary adjustment is implemented based on Va. Code §§ 15.2-3106 – 15.2-3108. The Growth Area Study discusses this process on page 23. Under the boundary adjustment procedure, the County and the Town enter into an agreement to change the Town’s boundaries. The County and the Town must each publish notices and hold a public hearing before adopting a boundary adjustment agreement. The agreement is then submitted to the Circuit Court of Giles County for review and approval. The boundary adjustment procedure under § 15.2-3106 is more effective, quicker, and less expensive than the more elaborate process for implementing an annexation by agreement under § 15.2-2907(A) or through an adversary annexation proceeding under § 15.2-3200.

70. Will the Town go forward with the annexation if there is no boundary adjustment?

The Town has not determined how it will proceed if the County does not agree to a boundary adjustment.

71. Does the Town plan for future expansions regardless of the outcome of this boundary adjustment?

The Town does not anticipate any other expansions beyond the Midway boundary adjustment.

72. Does any Council member own land or have any interest in Midway?

No Council member owns land or has any interest in the Midway area. Council members have family that own homes in Midway. The Town Manager owns a home in Midway.