

TOWN COUNCIL MINUTES



Gate City Town Council Minutes
May 14, 2019
156 E Jackson Street
6:30 PM

I. COUNCIL MEETING CALLED TO ORDER AT 6:56 P.M. BY: Mayor - Frances Perry

II. ROLL CALL – Deputy Town Clerk – Lisa Loggans

	PRESENT:	ABSENT:
Mayor, Frances Perry	X	
Vice Mayor, Robin Richards	X	
Council Member, Allan "Cotton" Roberts	X	
Council Member, Roger Cassell		X
Council Member, Wallace W. Ross, Jr.	X	
Council Member, Ron Kindle	X	
Town Manager, Greg Jones	X	
Town Attorney, Michele Brooks	X	

Others present: Larry Sturgill, Debbie Kindle, Father Drake, Marley Brooks, Chief Terry Sivert, Officer Ethan Penley, Ethan's Friend Mary Jones, Officer Lucas Shelley

III. INVOCATION – Father Drake

IV. PLEDGE OF ALLEGIANCE – Chief Terry Sivert

V. APPROVAL OF AGENDA

Motion made to approve the agenda.

Motion by: Ron Kindle

2nd by: Allan "Cotton" Roberts

VOTE: Aye, 4
 Nay,
 Absent, 1
 Abstain

Motion Carried.

VI. PROCLAMATIONS, CONGRATULATORY RESOLUTIONS, AWARDS, APPOINTMENTS, RESIGNATIONS AND CONFIRMATIONS, ADMINISTRATION OF OATHS AND INTRODUCTION OF GUESTS.

Town Manager Greg Jones presented Officer Lucas Shelley with a certificate for his accomplishment of graduating with a Bachelor of Science Degree in Criminal Justice.

Town Manager Greg Jones presented Ethan Penley with a certificate of honor for his heroic actions shown while serving in the line of duty on April 23.

Town Manager Greg Jones presented Allan "Cotton" Roberts with a congratulatory plaque for The Family Bakery's 10 years in business.

Mayor Frances Perry presented Town Manager Greg Jones with a certificate of appreciation for his dedication and professionalism as Town Manager.

Marley Brooks served as photographer.

VII. APPROVAL OF MINUTES

- **Approval of April 9, 2019, Town Council Minutes**
Motion made to approve minutes as presented.

Motion by: Allan "Cotton" Roberts

2nd by: Ron Kindle

VOTE: Aye: 4

Nay:

Absent: 1

Abstain:

Motion Carried.

VIII. APPROVAL OF PAYMENTS

Motion made for approval for payment of bills for April 2019.

Motion by: Allan "Cotton" Roberts

2nd by: Ron Kindle

VOTE: Aye: 4

Nay:

Absent: 1

Abstain:

Motion Carried.

IX. PUBLIC COMMENT (Will be limited to 3 minutes per speaker.) - NONE

Mayor Perry closed the public comment session and opened the consent agenda session.

X. COMMUNICATIONS - NONE

XI. REPORTS (All reports given will be included with your packet. Any questions about the reports will need to be discussed with the department head PRIOR to the meeting.)

A. Engineer's Status Report – Jason Snapp was on vacation; Town Manager Greg Jones gave the report.

– **DEQ Sewer I&I Rehab Job:** We have received VDOT and DEQ approval to advertise. All signed Easements have been delivered to the Town for recording. Sanitation Authority voted to move forward with the project as currently designed and leave the Magnolia Ave. section of the sewer line in the overall scope of the project. This route will require an endangered species/habitat survey to be completed before the surface water disruption permits will be approved for construction by USACE and DGIF. Mattern & Craig is in the process of coordinating and getting quotes on this work and will submit an additional task order to coordinate and carryout these services. The project schedule will now tentatively be to advertise the project for const. in late winter/early spring 2020 and begin construction in early summer 2020.

– **Water Treatment Plant Upgrades:** The roofing, water meters, SCADA, clearwell baffles, and backwash control systems have all been installed. The doors included in the project are still under the review phase by VDH concerning AIS Certification. There are ongoing discussions about the accuracy of the SCADA system installed, these concerns will be

addressed by project closeout. We have identified an alternate to the existing flow controls at the water plant and have submitted and received approval of a change order to complete this work. This work is approximately 2 weeks out. Substantial Completion was scheduled for Jan. 11th. This date was not met by the contractor and they have submitted a time extension request. Any damages will be discussed upon the conclusion of the project.

- **Asset Management Plan:** M&C to submit a preventative maintenance and operational plan for the Town to extend the life and performance on their assets to VDH. The plan will also include an inventory of all the Town's assets associated with its waterworks system. M&C will finalize the plan as the WTP Project gets underway in the next couple of months.
- **H/C Ramp HSIP Project:** All environmental agencies have responded and the appropriate paper work has been submitted, VDOT has now cleared the environmental document. VDOT has requested additional changes to the construction plans. We are working through how to best address these changes to satisfy VDOT. Once we receive approval to advertise the Town will be required to advertise for a minimum of 30 days. Then the bidding and negotiation phase will begin before awarding the contract.
- **Sanitary Sewer GIS Mapping:** The applicable shp files have been delivered to the Town's GIS vendor and M&C's services are complete barring any issues that need to be resolved upon the shp files being loaded into the software.

B. Manager's Report

Capital Projects

Water Treatment Plant

- **Water Treatment Plant Upgrade Project/WSL 21-17** - Roof Replacement project, steel doors replacement, backwash control system, chlorine room scales, generator, telemetry system and Clearwell baffling system will be developed into one project.

The Roofing project, Backwash Control System, and the Telemetry system with grounding treatment is complete. Commercial Water meters replacement has been completed.

The Clearwell Baffles have been installed. They will be put into service once the bacteriological samples have been completed and approved by VDH.

The doors are under review by the Virginia Department of Health. There have been intermittent communications issues with the SCADA system.

Substantial completion deadline was not met on January 11th, 2019. Mattern & Craig has received a time extension request.

Town

- **Highway Safety Improvement Project (HSIP)**

Ramp/Safety Rail West Jackson Street

HSIP grant application for the sidewalk replacement project on Manville Road was submitted on November 1st, 2017. Environmental Review has been completed and is currently under review by VDOT. Hazardous material assurances documentation has been completed. We are currently awaiting VDOT to approve the final plans. Once the final plans are approved, we will be ready to bid.

Manville Sidewalk Project

VDOT has awarded \$402,000.00 for this project. This project will begin July 2021.

Gate City High School Sidewalk Project (Shoemaker, Beech, Bishop, and Jones Street)

HSIP Grant Application has been submitted. The project total including Engineering Fees is \$578,475.00. If awarded, the project will be included in VDOT's six year plan with the expectation that funding will occur in 2024.

- **Gate City Theater & Public Facilities**

Planning Grant for the Gate City Theater, Town Hall, and proposed Community Center have been submitted to Rural Development (USDA) – (Community Facilities Technical Assistance and Training/TAT Grant). The TAT Grant is a planning grant that will focus on engineering and environment plans to make the best use of our public facilities. The total funding request is \$50,500 from Rural Development. Our proposed budget will include:

- \$20,000 Preliminary Architectural Report (PAR) – TAT Grant
- \$5,500 Site assessment and environmental review – TAT Grant
- \$25,000 Marketing Analysis – Gate City Theater (match) – ARC Grant
- \$50,500 Total

The TAT grant has been awarded.
The ARC grant was awarded on August 15, 2018.

Lenowisco Planning Authority has hired The Lane Group to complete the architectural report and marketing analysis. Scope of work has been completed.

Spectrum Design met with Mayor Perry, Members of Gate City Frontier, Inc Board of Directors, Planning Commission, and the Economic Development Committee on May 9th, 2019. Input was received on the final design. The complete marketing and architectural plans will be completed by the end of May 2019.

Updated Workplan:

- 3-29-19: Spectrum Design to meet with the Town to review the preliminary market research findings.
- 4-22-19: Draft Marketing Plan due.
- 5-06-19: Spectrum Design to meet with the Town to receive comments about the draft report.

5-17-19: Final Marketing Plan due.

- **Department of Housing and Community Development (DHCD):
Town-Wide Housing Needs Assessment Planning Grant**

A Planning Grant has been awarded to the Town from DHCD. The planning grant will identify housing needs in Gate City. The successful completion of the Planning Grant will allow the Town to submit Construction Grant Application for the target area(s) of need identified from the Planning Grant process.

On October 9th, 2018, DHCD awarded the Town \$40,000.00 to complete the Town-Wide Housing Needs Assessment Planning Grant.

On May 1st, 2019 the Management Team met with LENOWISCO Planning Authority and Ms. Anna Meade, Rehab Specialist Services to determine the neighborhood prioritization:

Priority	Area	Management Team comments
1	2	Park Street - multiple phases - is agreed to be the top implementation priority for this area.
2	1	Margie Street is agreed to be the top implementation priority for this area.
3	3	Manville Road - multiple phases - is agreed to be the top implementation priority for this area.
4	4	Ravine Street is agreed to be the Top implementation priority for this area.

The complete Town-Wide Housing Needs Assessment Plan is attached to this report.

- **Department of Housing and Community Development (DHCD): Park Street Housing Rehabilitation Project.**

DHCD has awarded \$522,200 for the Park Street Housing Rehabilitation Project. The funds will be used to rehabilitate seven residential homes, reconstruct two residential homes, and demolition of two vacant residential structures on Park Street. Our budget is as follows:

\$522,200 – DHCD
 \$12,000 – Town (In-Kind)
\$534,200 – Total

The Management Team, LENOWISCO Planning Authority, and Anna Meade, Housing Specialist met with DHCD on March 28th, 2019 to discuss pre-contract activities.

The following pre-contract activities have been completed:

- * Minority-Owned and Female-Owned Business Notice.
- * Department of Housing and Urban Development Handicapped Regulations.
- * Local Business and Employment Notice.
- * Non-Discrimination Policy.
- * Residential Anti-Displacement and Relocation Assistance Plan Certification.
- * Section 3 Local Business and Employment Plan
- * Section 504 Grievance Procedure.
- * Resolution for Compliance Park Street Housing Rehabilitation Project.
- * Certification of Signatures and Addresses.
- * Fair Housing Certification.
- * Project Rehabilitation Board.

The Management Team will need to approve the Project Management Plan.

- **Dog Park & Gateway Park**

- Trees and brush have been removed from the project area. Town Crew has installed drainage tile to improve drainage at the Dog Park. The outer chain link fence has been installed.
- Town Council has approved a change in the scope of work for the fence at Gateway Park and has awarded the bid to Factory To You Fence of Kingsport. The fence has been installed.
- The letter "E" on the "LOVE" sign at Gateway Park was damaged during the recent storms. Signs Dunn Right will replace the letter.
- Stack Fence for the Gateway Park will be completed under Force Account. We are presently obtaining quotes.

- **Banner Placement – Kane & Jackson Streets**

\$25,000 has been allocated through the FY 2019 budget to place new street light banners along Kane and Jackson Streets.

- **Dropbox Installation at Town Hall Drive Through**

Currently the Drive Through is receiving customers who are dropping off Water Bills. Installing a Drop Box beside the Drive Through will free up our staff to perform other activities. The Drop Box will also speed up the wait times for customers who just want to drop off their water bills. Council has approved the purchase and installation of the Drop Box on March 12th, 2019. The Drop Box has been received. We are currently waiting on Egan Construction to install.

- **Street Lights - Paul Wade Drive/Eva Street/Arora Street**

I met with Harold Walker, AEP, and Council Member Roger Cassell on December 5, 2018 to look into installing Street Lights on Paul Wade Drive, Eva Street, and Arora Street. A total of seven Street Lights has been approved by Council to be installed at a cost of \$11,651.29.

AEP informed the Town that the property owners on Paul Wade Drive do not want to install the Street Lights on their property. Street Lights were not installed in this area as a result.

Two Street Lights on Eva Street and one Street Light on Arora Street have been installed at a cost of \$4,977.90. Upon inspection it was noticed that a third street light should be installed on the curve section of Eva Street. The additional street light on Eva Street has been ordered from AEP at a cost of \$1,712.13. Currently the Town Crew is removing the brush in the area prior to the installation.

- **Sidewalks – West Jackson Street**

Currently there are no Sidewalks located on West Jackson Street pass the Scott County Life Saving Crew: Council has approved to submit a HSIP application for the installation of sidewalks on West Jackson Street.

Council has approved to submit a HSIP/VDOT Grant Application by the deadline in November 2019.

- **Grogan Park/Baseball Fields Flooding Issue**

I met with Scott County Schools, Gate City Little League, and Michele Brooks, Attorney on March 12th, 2019 to discuss the flooding issue at Grogan Park Baseball Fields. Under our agreement with Gate City Little League, the Little League is responsible for the maintenance of the baseball fields. Gate City Little League states that they are not using the High School Baseball Field and should not have to provide maintenance to the field. Gate City Schools stated that they will not be playing home games at Grogan Park due to the damage caused by the recent flooding. Gate City Schools did state that they will repair the fence wall at the High School Baseball Field.

I contacted Mr. Hubert Thomas with the U.S. Army Corp of Engineers for assistance in handling the flood issue at Grogan Park. He indicated that a creek survey will need to be conducted prior to determining a plan of action. A site visit has been scheduled for May 13th, 2019.

Finance Committee

The Finance Committee met on March 27th and April 5th, 2019 to review and provide input on the proposed FY 2019 Budget Amendment and the proposed FY 2020 Budget.

- Proposed FY 2019 Budget Amendment :

The proposed FY 2019 Budget Amendment exceeds one percent of the total expenditures of the current budget. Following the terms of the Virginia State Code § 15.2-2504, a Public Hearing has been scheduled for May 14th, 2019.

The proposed FY 2019 Budget Amendment was given to the Town Council for review on April 9th, 2019.

- Proposed FY 2020 Budget

A Public Hearing has been scheduled for May 14, 2019.

The proposed FY 2020 Budget was given to the Town Council for review on April 9th, 2019

The proposed FY 2020 Budget includes the recommendation that Real Estate and Water/Sewer rates remain the same as last year. A two percent (2%) cost of living wage increase for the employees and employee health care to stay with the Key Advantage 1000 plan is recommended. The following capital projects are recommended for FY 2020:

FY 2020 Capital Improvement Projects						
PROJECT NAME	Total Cost	Source of Funds				
		General Fund	Water Fund	SA Fund	Grant/Loan	Notes
Infrastructure Projects						
None						
Total	\$ -	\$ -	\$ -	\$ -	\$ -	
Street Paving Projects						
Sharon Drive	\$ 15,000	\$ 15,000				
Business District Enhancements						
Repair Wall - SC Historic Society Bldg.	\$ 20,000	\$ 20,000				
Repair Crosswalks - Brick painted	\$ 5,000	\$ 5,000				
Total	\$ 25,000	\$ 25,000	\$ -	\$ -	\$ -	
Community Development						
Park Street - Housing Rehab Project	\$ 522,200	\$ -			\$ 522,200	DHCD Project
Town Wide Housing Rehabilitation Planning Project	\$ 45,000	\$ -			\$ 45,000	DHCD Project
Dog Park Development - Grogan Park	\$ 5,000	\$ 5,000				
Gate City Theater Development	\$ 5,000	\$ 5,000				
Gateway Park - King Ford Property Development	\$ 5,000	\$ 5,000				
Total	\$ 582,200	\$ 15,000	\$ -	\$ -	\$ 567,200	
Miscellaneous Projects						
5X Body Cameras for PD	\$ 6,000	\$ 6,000				
Bed for Dump Truck	\$ 10,000	\$ -	\$ 10,000			
Snow Plow	\$ 5,000	\$ 5,000	\$ -			
Phone System	\$ 9,000	\$ -	\$ 9,000			
Total	\$ 30,000	\$ 11,000	\$ 19,000	\$ -	\$ -	
TOTAL CIP FY 2020	\$ 652,200	\$ 66,000	\$ 19,000	\$ -	\$ 567,200	

FY 2019 Paving Projects

Town Council has approved a Request for Proposal to pave Knob Court and Street Extension. We have received the following bids:

Bowen

Knob Court:

Bracken Paving	\$59,220.00
W-L Construction	\$42,825.00
Don's Paving	\$23,262.00

Bowen Drive Extension

Bracken Paving	\$29,150.00
W-L Construction	\$22,605.00
Don's Paving	\$7,400.00

Council Action: Award bid.

FY 2020 Town Budget Calendar

Below is the Budget Calendar for the FY 2020 Town Budget:

February 28th, 2019:	Department Head's deadline in submitting needs. - Complete
March 27th, 2019:	Finance Committee Meeting - Complete
April 2nd, 2019:	Complete Proposed FY 2020 Budget - Complete
April 5th, 2019:	Finance Committee Meeting - Complete
April 9th, 2019:	Council to vote on holding a Public Hearing Submit proposed FY 2020 budget to Council for input -Complete
April 24th, 2019:	First Public Hearing Notice/Advertising -Complete
May 1st, 2019:	Second Public Hearing Notice/Advertising -Complete
May 14th, 2019:	Public Hearing/Council Input
June 11th, 2019:	Adopt FY 2020 Town Budget

2019 Town Events

Movie Nights @ Gate City Theater
Saturday, June 15, 2019 – October Sky
Saturday, July 13, 2019 – Love Story
Saturday, August 24, 2019 - Shrek
Saturday, September 21, 2019 – Remember The Titans
Saturday, October 26, 2019 – The Addams Family

Run the Gate 5K
Saturday, June 15, 2019

Love Rocks!!
Saturday, July 27, 2019
Retroville Band
Southern Accents (Tom Petty Tribute Band)

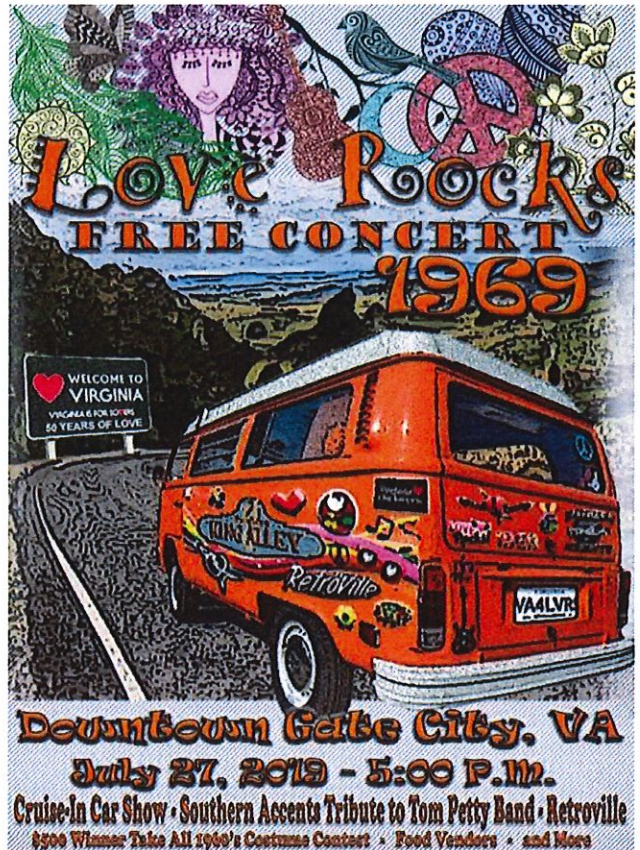
Gate City Cruise-In
Saturday, August 10, 2019
Cruise-In Car Show
Railway Express Band
Brickyard Road (Lynyrd Skynyrd Tribute Band)

Cruzer Palooza
Saturday, September 7, 2019
Cruise-In Car Show
Asylum Suite Band
Benny Wilson Band
Thunder Struck (AC/DC Tribute Band)

King Alleyween (Halloween Event)
Saturday, October 26, 2019

Veterans Day Event – Monday, November 11,
2019

Christmas Open House – Saturday, November 23th, 2019
Shop Small Business Saturday- Saturday, November 30, 2019
Gate City Christmas Parade – Saturday, December 7, 2019



Events Committee

The Events Committee met with the Scott County Director of Tourism on May 2nd, 2019. The Gate City Frontier, Inc. will handle the Food Truck Vendors and help manage the car shows for this year's events. A new Food Truck listing has been created along with an event map.

The Events Committee was informed that a \$10,000 grant has been awarded to help promote the 50th year anniversary of the Virginia is for Lovers marketing campaign. The grant fund in part will go to help marketing support for the Love Rocks event scheduled for July 27th, 2019.

The 2019 Sponsorship letters have been mailed. The following businesses have committed to sponsor this year's events: State Farm Insurance - Bronze Sponsor, Quillin Hardware - Friends of Gate City Sponsor, Dr. David Templeton D.D.S. P.C. - Friends of Gate City Sponsor, Pizza Plus - Bronze Sponsor, Farmers & Miners Bank - Bronze Sponsor, Mountain Region Family Medicine - Bronze Sponsor, Mattern & Craig - Bronze Sponsor, Pal's Sudden Service – Bronze Sponsor, Scott County Board of Supervisors – Gold Sponsor, Commercial Electronics – Bronze Sponsor, New Peoples Bank – Silver Sponsor, and First Community Bank – Gold Sponsor

VML Regional Dinner – Marion, VA

I attended the VML Regional Dinner along with Mayor Frances Perry, Vice-Mayor Robin Richards, Council Member Roger Cassell, and Council Member Wallace W. Ross, Jr. VML provided an update of legislative issues in Richmond, VA.

Polco Community Outreach

The Town of Gate City, VA is one of seven communities in Virginia that has been selected to take part in a twelve-month trial version of the Polco Community Outreach program. Polco Community Outreach was recommended by VML as a way to engage the public by taking surveys. Mayor Frances Perry and I attended a webinar presentation of this program on May 9th, 2019.

C. Council Reports (Any new business from Committees that needs to come before the Council.)

Vice-Mayor, Robin Richards: Vice-Mayor, Robin Richards stated that runners are picking up on the west end of town. Vice-Mayor Richards stated that we need to try to get some more lighting at the west end of town near the quarry pond. Vice-Mayor Richards stated that runners are running with flashlights and it could potentially be a safety issue. Town Manager Greg Jones stated that if the grant is passed for the installation of a sidewalk, a right of way will be required, and it will be the perfect time for installation of lighting as well.

Council Member, Ron Kindle: Nothing to Report

Council Member, Wallace W. Ross, Jr.: Council Member, Wallace W. Ross, Jr. stated the bump in the road on Chestnut Street off of Manville Rd still needs to be fixed. Council Member Ross asked due to customer concerns about grass being cut and other issues, if property maintenance will be maintained without Mr. Bledsoe? Town Manager Greg Jones stated that he has been working on some property maintenance issues. Council Member Ross stated that he knows an email has been sent about Cleveland St. near Quillen Heights concerning where the drain stops up. Council Member Ross asked why the town crew does not check that drain? Town Manager Greg Jones stated this is a VDOT issue due to the fact that the drain is VDOT property. Council Member Ross stated that there is a bush near the courthouse that needs to be trimmed. Town Manager Greg Jones asked for the address. Council Member Ross stated that he is unsure of the exact address but that the bush is located at the end of the apartments above the courthouse on the left.

Council Member Wallace W. Ross, Jr. stated that the Town Manager did not report how well the Town was doing concerning water quality. Council Member Ross also stated that he had hoped to go to Roanoke with Loretta to receive the award for the Water Plant on April 24, 2019. Mayor Frances Perry asked Council Member Ross why he thought he needed to attend? Council Member Ross stated that because he is a council member and by the charter and administration, he should be allowed to go. Mayor Frances Perry asked if Council Member Ross thought he should go, and the other council members shouldn't? Council Member Ross stated that if any council members wanted to go, it's no problem. Town Attorney Michele Brooks asked Council Member Ross what part of the charter he is discussing? Mayor Frances Perry stated that Mr. Ross is discussing the water plant operations. Town Attorney Michele Brooks stated that she did not believe that anyone said that Mr. Ross could not go. Mayor Frances Perry stated that it is not a paid trip for a council member.

Council Member Ross stated that it can be. Mayor Frances Perry stated that it is only if council approves it and asked if Mr. Ross asked council to approve it? Council Member Ross stated that no one else had to have approval to go on trips and asked why is it that he is so special to need approval. Town Manager Greg Jones stated that every trip has had approval. Council Member Ross stated that Vice-Mayor Robin Richards went to Roanoke without approval. Vice-Mayor Robin Richards stated that approval was given, and it can be found in the minutes. Council Member Ross stated that Vice-Mayor Richards and Council

Member Roberts have been on a trip to Richmond that was not approved. Town Manager Greg Jones stated that he will pull the minutes for verification. Council Member Ross stated that Town Attorney Michele Brooks asked if a vote needed to be taken and Town Manager Greg Jones stated no. Town Manager Greg Jones stated that we don't normally vote on it, however, it is council's decision on whether or not to vote. Town Manager Greg Jones asked what the meetings are that Council Member Ross is referring to? Council Member Ross stated that the last several meetings that council has attended have not been voted on. Mayor Frances Perry asked Council Member Ross if he had read his minutes? Council Member Ross stated that as a board we say that we want to display good news about the town, and we are very special in being able to receive these awards from 2007 through 2018. Council Member Ross stated however, I have not seen anything put into the paper or Loretta here to take a photo with council or to be recognized. Council Member Ross also stated that he wanted to go because he is proud of the accomplishments of the water plant and the level of quality maintenance of the water. Vice-Mayor Robin Richards asked is it one person at the water plant or is it all of the water plant operators that are responsible for the award? Council Member stated that it is the whole crew but when attending the meetings, it is other water plant operators and council members who attend. Council Member Ross stated that we are the only ones who do not attend with the water plant operator. Council Member Ross also stated that he would have gone because this should be a big honor; we have the opportunity to tell individuals who contest the rate increases in water bills and be forthright with them and show them that we are doing an excellent job. Town Manager Greg Jones stated Council Member Ross is incorrect about not promoting this accomplishment. Town Manager Jones stated that a press release was done, and he did not receive the information until the end of last week, but it will come out in the Virginia Star tomorrow. Mayor Frances Perry stated that it has already been submitted and Council Member Ross is a little late with his comments.

Council Member, Allan "Cotton" Roberts: Council Member Allan "Cotton" Roberts stated that Gate City Frontier has a 5K Race coming up on June 15th and they still need individuals to sign up for it. Council Member Roberts asked that if anyone knew someone who would like to participate, please recommend the race to them.

Council Member Allan "Cotton" Roberts stated that June 15 will also be the first movie night, and the Gate City Theater will be showing October Sky.

Council Member Allan "Cotton" Roberts praised the public works crew for their fantastic job weed eating and mowing throughout town. Mayor Frances Perry added that the work crew is also doing a great job cleaning the curbs.

Council Member Allan "Cotton" Roberts stated that the water loss has decreased to 33.7% which is great. Town Manager Greg Jones stated that we are heading in the right direction and he will have a report created comparing the newly installed meters vs the old meters very soon.

Council Member, Roger Cassell: Absent

D. Sanitation Authority – Town Attorney Michele Brooks stated that the Sanitation Authority met on 5-13-2019 and there is nothing significant to report.

XII. UNFINISHED BUSINESS

- **CrossFit Request: Business Expansion Request**

Town Attorney Michele Brooks stated that there had been a misunderstanding with the contract in that she thought Council had approved terms and did not know that Council would need the contract in front of them tonight in their packets. However, each council member had a copy of the contract. Town Attorney Michele Brooks stated that under number six on the addendum she made an error in that she put low bearing instead of non-low bearing walls and she will correct this. Town attorney

Michele Brooks stated the contract includes the non-low bearing walls and the drop ceiling as well as items that Mr. Kilgore must follow including: obtaining a licensed contractor to complete all of the construction and demolition, report of proof to town upon request before any changes are made, must have all building permits with proof, sufficient insurance to cover any damages to the town, must cover utility costs as needed, and all terms of the original lease.

Council Member Allan "Cotton" Roberts asked if there were any terms concerning inspections? Town Attorney Michele Brooks stated that there were unspecific terms concerning leaving things in the same condition; however, she could add a specific term concerning an inspection. Council Member Allan "Cotton" Roberts stated that he would like to add an annual inspection. Town Attorney Michele Brooks stated that she would add that as number ten. Council Member Wallace W. Ross, Jr. asked if CrossFit was to refurbish could we take some things out? Town Attorney Michele Brooks stated that in item number eight it explains that if it is requested at the end of the lease period they would have to put the walls back the way that they were. Council Member Wallace W. Ross, Jr. asked if the contractor would bring his plans before us or if he would complete the work and then bring it before Council? Town Attorney Michele Brooks stated that plans had to be presented before construction begins as well as permits and contractor's license.

Motion to accept the CrossFit Request: Business Expansion Request as presented with the addition of a yearly inspection and the correction of low bearing walls to non-low bearing walls.

Motion by: Allan "Cotton" Roberts

2nd by: Ron Kindle

VOTE: Aye: 4

Nay:

Absent: 1

Abstain:

Motion Carried.

XIII. NEW BUSINESS

- **Accept the FY 2018 Audit Report as Presented.**

Larry Sturgill stated that he would be presenting the Audit Report for year ending June 30, 2018. Sturgill stated that on pages 1, 2, and 3 Council can see the independent auditor's report that is an unmodified opinion. Larry Sturgill stated that on page 2 under the section titled opinions, the report states that "In our opinion the financial statements referred to above present fairly in all mature respects the respective financial position of the governmental activities; which is the governmental fund and the cemetery fund, business type activities; which includes the water fund and the sanitation fund and the cash flows applicable for the year ending June 30, 2018". Mr. Sturgill stated that on page 12, Council can see the statement of net positions of governmental activities and business type activities. Mr. Sturgill stated that as of June 30, 2018 the town had a total net position of \$5,732,657, which is a good financial position. Larry Sturgill stated that on page 13 Council will see the statement of activities which is also prepared under the Gatsby 34 full accrual method of accounting including depreciation expense for the governmental fund. Mr. Sturgill stated that on the line "change in net position", the governmental activities had a profit of \$202,939 which included depreciation expense among the departments of \$60,475.

Mr. Sturgill stated that the business type activities showed a change in net position which means a profit was generated of \$22,588. Larry Sturgill stated that on pages 19 and 20, Council will see the statement of net positions for the proprietary funds which includes the water and sanitation authority funds listing the assets, liabilities, and net positions. Mr. Sturgill stated that on page 21, Council can see the statement of revenues, expenditures and changes in net position showing the revenues, expenses, and non-operating revenues. Mr. Sturgill stated that under the category of change in net position, the water fund showed a small loss of \$31,357 and under operating expense the water fund

will show a depreciation expense of \$253,622, which is good because the majority of the depreciation was covered. Mr. Sturgill stated that the Sanitation Authority fund generated a profit of \$53,945 covering all depreciation which was \$64,787. Mr. Sturgill stated that the total enterprise fund profit of \$22,558 includes the combination of both funds.

Larry Sturgill stated that on pages 14 and 16, the combination of the general fund and cemetery fund have a total balance of \$585,943. Mr. Sturgill stated that adjustments are made to retrieve the net position listed on page 12 which is \$1,377,390. Mr. Sturgill stated that page 16 shows the statement of expenditures, revenues and changes in fund balance. Larry Sturgill stated that the net change in fund balance for the general fund under this approach had a \$70,389 loss. Mr. Sturgill stated that under capital outlays everything that the town bought is expensed under this method, which is why a loss was experienced. Larry Sturgill stated that there were capital outlays of \$349,000 all expensed at one time. Mr. Sturgill stated that on pages 78 and 79, the independent auditor's report on the internal control on financial reporting and on compliance and other matters based on the audit of financial statements performed in accordance with governmental auditing standards. Larry Sturgill stated that there were no deficiencies identified in internal control that are believed to be mature weaknesses; however, mature weaknesses may exist and may not have been identified as of June 30, 2019. Mr. Sturgill stated that a mature weakness that was identified in 2016 was carried forward to 2017 and eliminated in 2018.

Motion to accept the FY 2018 Audit Report as presented.

Motion by: Allan "Cotton" Roberts

2nd by: Ron Kindle

ROLL CALL VOTE:	Vice-Mayor, Robin Richards	AYE	
	Council Member, Allan "Cotton" Roberts	AYE	
	Council Member, Roger Cassell	ABSENT	
	Council Member, Wallace W. Ross, Jr.	AYE	
	Council Member, Ron Kindle	AYE	

Motion Carried.

- **Approve the FY 2019 Budget Amendment.**

Motion to approve the FY 2019 budget amendment as presented.

Motion by: Allan "Cotton" Roberts

2nd by: Ron Kindle

VOTE: Aye: 4
 Nay:
 Absent: 1
 Abstain:

Motion Carried.

- **Award Bid for Knob Court Paving Project.**

Town Manager Greg Jones stated that this project was estimated at \$20,000 and has been identified on the capital improvement plan for this last budget year. Town Manager Greg Jones stated that Council approved the request for proposals on April 9, 2019. Town Manager Greg Jones stated that the RFP has been posted on the town website as well as advertised in the Scott County Virginia Star. Town Manager Greg Jones stated that eight contractors were contacted by phone for direct solicitation, with three bids responding. Town Manager Greg Jones stated that these three bids include W-L Construction, Don's Paving, and Bracken Paving. Town Manager Greg Jones stated that W-L Construction came in at \$42,825, Don's Paving at \$23,262 and Bracken Paving at \$59,220. Town Manager Greg Jones stated that this road is in terrible shape, has a steep grade and is practically undriveable.

Town Attorney Michele Brooks asked if there was any information about the disparities in the amounts? Town Manager Greg Jones stated that each company has a different approach to the project. Town Manager Greg Jones stated that we could have an engineer come in and spec the project for a couple thousand dollars that way we could put everyone on an even playing field, however, to save money we didn't do that for such a small project. Town Manager Greg Jones stated that one company was looking at taking the whole road out and starting completely over with a new foundation, whereas Don doesn't feel that he needs all of that. Town Manager Greg Jones stated that he is leaning towards Don because he has done two of the town's paving projects before and has done a fantastic job. Town Manager Greg Jones stated that since the grade is so steep on that road, he has asked that the pavers put a rough mix down so that individuals will be able to gain traction on their tires. Council Member Wallace W. Ross, Jr. asked what the time span is on the durability of the road with that type of mix? Town Manager Greg Jones stated that if it is done properly, a road should last 40-50 years. Council Member Allan "Cotton" Roberts asked if this project would be under the 2019 budget? Town Manager Greg Jones stated that yes, the project will be under the 2019 budget even though it cost a little more than intended. Council Member Wallace W. Ross, Jr. asked how many homes are located on Knob Court? Town Manager Greg Jones stated that there are three. Mayor Frances Perry stated that the road leads to their driveway.

Motion to award bid for Knob Court paving project to Don's Paving at \$23,262.

Motion by: Allan "Cotton" Roberts

2nd by: Ron Kindle

VOTE: Aye: 4

Nay:

Absent: 1

Abstain:

Motion Carried.

- **Award Bid for Bowen Drive Extension Paving Project.**

Town Manager Greg Jones stated that on this project, we followed the same method of procurement as the Knob Court paving project. Town Manager Greg Jones stated that this particular project was not in the capital improvement plan; however, \$5,000 dollars extra that we estimated for this project is included in the amended budget that has already been approved. Town Manager Greg Jones stated that the three bids for this project include W-L Construction at \$22,605, Don's Paving at \$7,400 and Bracken Paving at \$29,150. Town Manager Greg Jones stated that this is a very simple project and all it needs is a 2-3-inch overlay and some milling; however, there is a wall on the right side with some drainage, but it is clogged up. Town Manager Greg Jones stated that we will leave some room so that it is still functional in case the property owners decide to clear that out. Council Member Allan "Cotton" Roberts asked why the bid for Don's Paving listed that it needs to be paved twice? Town Manager Greg Jones stated that it is supposed to be a 2-3 inch overlay and he is unsure why the bid states that it needs to be paved twice. Mayor Frances Perry asked if paving twice is included in the price that Don gave? Town Manager Greg Jones stated that it is included. Mayor Frances Perry stated that there are three houses on this street as well. Town Manager Greg Jones stated that Council could wait until this discrepancy is answered to make their decision. Mayor Frances Perry stated that it could be approved with that condition. Council Member Ron Kindle asked if Don was ready to start paving? Town Manager Greg Jones stated that he was ready to go.

Motion to award bid for Bowen Drive extension paving project to Don's Paving for the amount of \$7,400 with the understanding the road needs to be paved twice as included in the quoted price.

Motion by: Allan "Cotton" Roberts
2nd by: Ron Kindle
VOTE: Aye: 4
Nay:
Absent: 1
Abstain:

Motion Carried.

- **Letter of Intent: Army Corps of Engineers.**

TAKE NO ACTION – ADD TO UNFINISHED BUSINESS FOR NEXT MONTH

- **Park Street Housing Rehabilitation Project Management Plan**

Town Manager Greg Jones stated that the management team will ultimately approve this plan.

- **Council to Determine Who Will Attend the VML Conference on October 6th – 8th, 2019 in Roanoke, VA.**

Council Member Allan "Cotton" Roberts nominated Council Member Wallace W. Ross, Jr. to attend the VML Conference. Town Attorney Michele Brooks read a text that stated Roger Cassell would like to attend the VML Conference. Mayor Frances Perry stated that she will be attending the VML Conference and the Mayor's Conference. Council Member Ron Kindle stated that he will be attending the VML Conference. Council Member Allan "Cotton" Roberts recommended Vice-Mayor Robin Richards to attend the Mayor's Conference as well. Mayor Frances Perry stated that she and Vice-Mayor Robin Richards could share a room if Vice-Mayor Robin Richards did not want to stay for the VML Conference. Vice-Mayor Robin Richards stated that she would most likely attend only the Mayor's Conference and then return home, but to go ahead and approve her for both events.

Motion to approve Council Member, Roger Cassell, Council Member, Ron Kindle, Vice-Mayor, Robin Richards, Council Member, Wallace W. Ross, Jr., and Mayor Frances Perry to attend the VML Conference on October 6th – 8th, 2019 in Roanoke, VA.

Motion by: Allan "Cotton" Roberts
2nd by: Ron Kindle
VOTE: Aye: 4
Nay:
Absent: 1
Abstain:

Motion Carried.

XIV. PUBLIC COMMENT – NEW BUSINESS

NONE

XV. ADJOURN

Motion made to adjourn.

Motion by: Allan "Cotton" Roberts
2nd by: Ron Kindle
VOTE: Aye: 4
Nay:

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Motion made to amend the agenda to address the Council Meeting Minutes 5-14-2019.

Motion by: Allan "Cotton" Roberts

2nd by: Ron Kindle

VOTE: Aye: 5
 Nay:
 Absent:
 Abstain:

Motion Carried.

Council Member Wallace W. Ross, Jr. stated that the May 14, 2019 minutes state that "Council Member Ross stated that Vice-Mayor Robin Richards went to Roanoke without approval." Council Member Ross stated that this is a misprinted statement because he was discussing the trip to Richmond and it should be deleted. Mayor Frances Perry asked if the issue is the place? Council Member Ross stated that it is the issue because it needs to be Richmond instead of Roanoke. Town Attorney Michele Brooks stated that the Town Clerk was asked to record verbatim minutes and send out audio to each council member. Town Attorney Michele Brooks stated that the main issue first: is Council Member Ross correct about what he said and secondly: does the Council want to rescind the approval of the minutes and amend them based on that. Town Attorney Michele Brooks asked if these issues are the ones that Mr. Ross is concerned about? Council Member Ross stated yes that they are the issues to be discussed. Discussion concerning the above stated issues continued.

Motion made to rescind the approval of the May 14, 2019 Minutes.

Motion by: Wallace W. Ross, Jr.

2nd by: Roger Cassell

VOTE: Aye: 5
 Nay:
 Absent:
 Abstain:

Motion Carried.

Motion made for the May 14, 2019 Minutes to reflect the changes of Roanoke to Richmond in the statement "Council Member Ross stated that Vice-Mayor Robin Richards went to Roanoke without approval."

Motion by: Wallace W. Ross, Jr.

2nd by: Allan "Cotton" Roberts

NO VOTES WERE MADE: Aye:
 Nay:
 Absent:
 Abstain:

Motion Failed.

Motion made to approve the May 14, 2019 Minutes with the addition of the verbatim May 14, 2019 portion of minutes concerning what Council Member Wallace W. Ross, Jr. is concerned about to the May 14, 2019 Council Minutes.

Motion by: Allan "Cotton" Roberts

2nd by: Ron Kindle

VOTE: Aye: 4
 Nay:
 Absent:
 Abstain: 1

Motion Carried.

Official Verbatim Excerpt of Town Council Minutes 5-14-2019

Council Member Wallace W. Ross, Jr.: You didn't mention in your report and as everybody be saying that we should let the Town be aware of how well we are doing. When I left I asked and hoped that I would have gotten to go to Roanoke with Lorretta to receive the award during that time on April 24, 2019.

Mayor Frances Perry: Why did you think that you needed to go Mr. Ross?

Council Member Wallace W. Ross, Jr.: Because I'm a councilman and by the charter and the administration part of it, I should be able to go. As long as I'm following the charter then I can go.

Mayor Frances Perry: So you think you should go and the rest of us shouldn't?

Council Member Wallace W. Ross, Jr.: If they wanted to go, it's no problem.

Mayor Frances Perry: The highway is open.

Council Member Wallace W. Ross, Jr.: But what I am trying to say here is that Lorretta went and I haven't talked to her...

Mayor Frances Perry: Yes she is the proper person to go. She is the water maintenance person.

Council Member Wallace W. Ross, Jr.: But as a council member, I can go too.

Mayor Frances Perry: Well, hit the road.

Council Member Wallace W. Ross, Jr.: As a councilman I am able to go because the charter delegates that. A councilman is over the...

Town Attorney Michele Brooks: What part of the charter are you talking about Mr. Ross?

Mayor Frances Perry: The water plant

Town Attorney Michele Brooks: Oh the water plant operations?

Mayor Frances Perry: Yes

Town Attorney Michelle Brooks: ok I'm just curious, I mean I don't think anybody said you couldn't go; that's not the charter right there.

Mayor Frances Perry: It's not a paid trip for a councilman.

Council Member Wallace W. Ross, Jr.: Yes it can be, yes it is.

Mayor Frances Perry: It is if the council approves it. Did you ask the council to approve it?

Council Member Wallace W. Ross, Jr.: Well you all haven't approved anything else where people have been going on the trips, so why is it that I'm so special?


Town Manager Greg Jones: We have done that every trip sir.

Council Member Wallace W. Ross, Jr.: No the trip Robin went on you all did not approve.

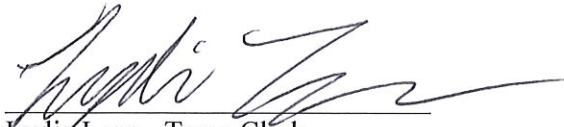
Absent: 1

Abstain:

*Mayor Perry adjourned the meeting at 8:19 P.M., until the next regularly scheduled Council Meeting on June 11, 2019.



Frances Perry – Mayor



Lydia Lane - Town Clerk