Virginia: **At the regular meeting of the Council of the Town of Chilhowie held at the Municipal Building, January 14, 2021 at 7:00 p.m.**

Present: **Honorable Gary L. Heninger, Mayor presiding; Councilors Donna Blevins, Billy L. Clear, F. Brent Foster, Lewis W. Shortt, Jr., Julie Sturgill and P.J. Wolfe.**

Absent: **None**

Also Present: **Mr. John E.B. Clark, Jr., Town Manager; Mrs. Marlene Henderson, MMC, Clerk-Treasurer; Messrs. Paul Cassell, Town Attorney; Jay Keen, Director of Public Works; Andrew Moss, Police Chief; C. David Haynes, Fire/EMS Chief; Randy Sturgill, Building Official and Ron Cahill, Recreation/Special Events Coordinator.**

The meeting was held in the Community Room in order to practice Social Distancing due to the COVID-19 pandemic.

Mayor Heninger called the meeting to order. Randy Sturgill gave the Invocation. The Pledge of Allegiance was recited.

Approval of Minutes:

Motion by Brent Foster, second by Julie Sturgill Council adopts the regular December 10, 2020 meeting minutes. The motion was approved with following recorded vote:

Donna Blevins	Aye	Bill Clear	Aye
Brent Foster	Aye	Lewis Shortt	Aye
Julie Sturgill	Aye	P.J. Wolfe	Aye

Citizens Time:

No one wished to speak.

Old Business:

- Review of Fiscal Year 2018 Audit – Mr. Juan Garcia of Hicok, Brown and Company, appeared before Council to review the Fiscal Year 2018 Audit. Based on testing they are ensured the materials are correct and do not think there is a question about the numbers. The total assets for 2018 was $3,939,000, deferred outflows was $63,000, long term and short-term liabilities was $668,000, and deferred inflows was $340,000. The net position was $2.99 million that is held within the general government. Within the business activities such as sewer and water the total assets were $17.2 million, total liability $11.66 million

for a total net position of about $5 million. As a whole the Town has a net position or assets over liabilities of $8 million as of 2018.

The revenues for governmental activities was approximately $3.2 million and expenses was about the same of $2.1 million and a transfer out of general government into the business activities about $77,000 for a decrease in expenses and transfers of excess revenues of about $93,000. The largest revenue comes from other taxes at 41%, the next biggest revenue comes from charges for services at 19% and the largest expense is public safety. There were no issues with the internal controls or compliance. The Audit is unmodified or a clean opinion and no noncompliance for any federal money. Mr. Garcia stated that it is a clean report for the June 30, 2018 Audit.

Motion by Brent Foster, second by Donna Blevins Council accepts the Fiscal Year 2018 Audit. The motion was approved with following recorded vote:

Donna Blevins	Aye	Bill Clear	Aye
Brent Foster	Aye	Lewis Shortt	Aye
Julie Sturgill	Aye	P.J. Wolfe	Aye

- Presentation of Proposed Tolling Agreement and Update on Mill Creek Regional Water Treatment Plant Situation – The Town and Washington County Service Authority is not satisfied with the performance of the Evoqua membranes. Council previously approved the Tolling Agreement that is between the Town, Washington County Service Authority, Frizzell Construction Company and Evoqua Water Technologies. According to the agreement the parties agree not to institute any legal action against the other through February 21, 2021 and retroactively from October 28, 2020. The final pay request of $188,950.69 is being withheld by the Town and Washington County Service Authority, liquidated damages at 467 days at $580 per day equals $270,860.

  The Town and Washington County Service Authority contracted with Water Membrane Technologies to conduct a study to determine if the membrane skids could be transitioned from Evoqua to the Pall system, the study revealed that it would cost much more and that option is no longer viable. When the Mill Creek Water Treatment Plant is running it is producing good water, but it has yet to pass a ninety-day acceptance test.

Motion by Brent Foster, second by Donna Blevins Council authorizes Town Manager to sign Tolling Agreement. The motion was approved with following recorded vote:

Donna Blevins	Aye	Bill Clear	Aye
Brent Foster	Aye	Lewis Shortt	Aye
Julie Sturgill	Aye	P.J. Wolfe	Aye

- Update on Dollar General Situation –Wednesday, January 6, 2021 a meeting was held with Town Staff, Dollar General personnel and Josh Lewis, of Virginia Department of Transportation to inspect drainage structures on the southside of Lee Highway. Dollar General will install pipping in place of an open ditch of about 200 feet. The Virginia Department of Transportation plans to clean out some piping going under Main Street to the wet land area. Both measures should help with drainage from the proposed site.

  Dollar General must relocate a water and sewer line at their expense and to the Town's specification including tapping. Dollar General will also install a new sidewalk along West Main Street. The site will have to be raised several feet in order for the first floor to be at an elevation higher than the floodplain. JMB Investment Company stated they plan to raise the building one foot higher than the floodplain due to Dollar General requirements.

- Update on Tourism Director Search – Mrs. Donna Blevins, Councilwoman, is a member of the Smyth County Tourism Association Board. The Board offered the position of Smyth County Tourism Director to Ms. Amanda Livingston and Ms. Livingston accepted the position. Ms. Livingston is from Abingdon and served as Assistant Tourism Director. Ms. Livingston begins on January 25, 2021. Mr. John Clark, Town Manager, stated the Smyth 12 Committee plans to discuss security issues of the H.L. Bonham Tourism Center.

- Update on Facades Project as Part of Downtown Revitalization – After weeks of negotiations the owners and Town have come into an agreement with the scope of the project within the allotted budget. The scope of the work will be approximately $140,402 with the Department of Housing and Community providing $80,472.59 leaving a balance of $59,929.41 that will be paid by the property owners. The property owner's match can be made in cash or by receipts for work done on the building within the last two years. Formal contracts will be made on all eight buildings with the owners, Walberg Construction and the Town as signatories.

New Business:

- Recommendation from Planning Commission on Replacement for Expired Term of Mr. Josh Lewis and Mrs. Donna Blevins– Planning Commission met Tuesday, January 5, 2021. Mr. Josh Lewis and Mrs. Donna Blevins terms have expired. Mr. Lewis has moved outside of Town Limits therefore unable to serve on the Planning Commission. Planning Commission recommended Mr. Jason Czelusniak and Mrs. Donna Blevins to serve the Planning Commission.

Motion by Brent Foster, second by Julie Sturgill Council reappoints Mrs. Donna Blevins and accepts the recommendation from the Planning Commission to appoint Jason Czelusniak to serve on the Planning Commission. The motion was approved with following recorded vote:

Donna Blevins	Aye	Bill Clear	Aye
Brent Foster	Aye	Lewis Shortt	Aye
Julie Sturgill	Aye	P.J. Wolfe	Aye

- Update on General Board of Appeals Meeting and Appointment of Members to Expired Terms – The General Board of Appeals held their first meeting Tuesday, January 5, 2021. The General Board of Appeals will now meet annually in January. Mr. Randy Sturgill, Building Official, reviewed the Building Code section concerning the responsibilities of the General Board of Appeals. Mr. Sturgill also gave a brief presentation of Building Permits issued over the years. Mrs. Cathy Smith and Mr. Jim Paine terms have expired, and both agreed to be reappointed to the General Board of Appeals.

Motion by Donna Blevins, second by Bill Clear Council reappoints Mrs. Cathy Smith and Mr. Jim Paine to serve on the General Board of Appeals. The motion was approved with following recorded vote:

Donna Blevins	Aye	Bill Clear	Aye
Brent Foster	Aye	Lewis Shortt	Aye
Julie Sturgill	Aye	P.J. Wolfe	Aye

- Report from Police Chief on Matters Including Fourth Quarter Year End Highway Safety Initiative and Police Reform Executive Order for Certification – Mr. Andrew Moss, Police Chief, was sworn in on January 4, 2021 to serve as the Chilhowie Chief of Police. Chief Moss held a meeting with surrounding area Chiefs and the Sheriff. Chief Moss plans to meet with Smyth County Sheriff Mr. Chip Schuler to discuss a new Mutual Aid Agreement. Chief Moss also plans to develop a Mutual Aid Agreement with the Town of Saltville as well as Washington County Sheriff's Office.

  Chief Moss discussed the Highway Safety Initiative Quarterly Summary, Temporary Detention Orders, Police Reform and the possibility of the purchase of Document Management Software. The Document Management Software can assist with the management of Police Policy and Procedure Manual where each officer would have an app on their phone that provides the documents in full. Chief Moss is currently working on a new mission statement and safety tips to be posted to the website, www.chilhowie.org.

- Report on Retirement of Meter Reader Jimmy Doane and Other Public Works Transitions – Mr. Jimmy Doane retired January 1, 2021. The meter reader position has been filled by

Mr. Darrell McGhee. Mr. Don Cole filled the vacant position of Wastewater Operator and Mr. Chris Johnson filled a vacancy within the Public Works Department.

- Report on Department of Heath COVID Vaccinations – Mr. David Haynes, Fire and EMS Chief, reported the Town's staff is considered essential workers and is eligible for the COVID vaccine. Chief Haynes submitted information to the Virginia Department of Health to schedule the vaccine for the Town's staff. The Virginia Department of Health will email the staff to schedule their vaccine. Chief Haynes reported it may be seven to ten days before the Virginia Department of Health can schedule the vaccines.

Committee Reports:

- Finance and Personnel Committee – The Finance and Personnel Committee met Tuesday, January 12, 2020. January 2015 Council adopted a Merit System Classification Plan where employees were classified from 1 to 20 for different positions such as supervisory, non-supervisory and manual positions. On an employee's anniversary date, the employee has an opportunity to obtain a 2.5% merit increase if scored 80 or higher on an employee evaluation. The Department heads reports to the Town Manager to sign off on the evaluation. Council normally grants a Cost of Living increase in July and the merit increase would occur on the employee's anniversary month. During 2020, due to the COVID 19 pandemic, the Town was uncertain of revenues and eliminated the merit step increase for fiscal year 2020-2021. During July 2020 a 2% increase was granted to employees making under $14.42 per hour. In January 2021 a 2% increase was granted to employees making over $14.42 per hour. The 2020-2021 budget revenues were purposely estimated low due to the COVID 19 pandemic.

  The current budget is projecting a surplus in the water and sewer revenues as well as meals tax. Mr. John E.B. Clark Jr., Town Manager, recommends a 2.5% step increase for all lower paid, non-supervisory employees at Public Works and the Sewer Treatment Plant making less than $14.42 per hour.

Motion by P.J. Wolfe, second by Brent Foster Council approves a 2.5% increase for employees earning less than $14.42 per hour and 2% increase for all other employees making more than $14.42 per hour. The motion was approved with following recorded vote:

Donna Blevins	Aye	Bill Clear	Aye
Brent Foster	Aye	Lewis Shortt	Aye
Julie Sturgill	Aye	P.J. Wolfe	Aye

Department Reports:

Mrs. Marlene Henderson, Clerk-Treasurer, reported the Town is doing well. Revenues are currently at 57%, water revenue is at 50% and sewer revenue is at 49%.

Mr. Andrew Moss, Chief of Police, inquired if the Town had a Resolution in strong opposition of eliminating Qualified Immunity. Chief Moss requested to draft and adopt a Resolution in strong opposition of eliminating Qualified Immunity. Qualified Immunity if nullified will nullify Law Enforcement and policing will be no more. Qualified Immunity protects Police Officers from good faith mistakes. A Police Officer will be in trouble in any way he or she responds to a situation which opens up Police Officers and Localities to lawsuits.

Motion by Brent Foster, second by P.J. Wolfe Council authorizes the Town Manager to draft and sign a Resolution in strong opposition of eliminating Qualified Immunity. The motion was approved with following recorded vote:

Donna Blevins	Aye	Bill Clear	Aye
Brent Foster	Aye	Lewis Shortt	Aye
Julie Sturgill	Aye	P.J. Wolfe	Aye

Mr. Jay Keen, Director of Public Works, reported during the past two snow events the Town has plowed all streets inside the corporate limits, not just Town streets.

Mr. Ron Cahill, Recreation Director/Special Events Coordinator, reported Little League has contacted him concerning the leasing of the Little League fields. Mr. Cahill has reviewed the Governor's Executive Order and he believes Little League will be able to have season. Little League will have to be under conditional response as well. They are required to submit in writing a plan of action and enforce the plan during the use of the facility.

Motion by Donna Blevins, second by Brent Foster Council adjourns this meeting at 8:25 p.m. The motion was approved with following recorded vote:

Donna Blevins	Aye	Bill Clear	Aye
Brent Foster	Aye	Lewis Shortt	Aye
Julie Sturgill	Aye	P.J. Wolfe	Aye

_____Mayor
Gary L. Heninger

_____Clerk
Marlene L. Henderson, MMC