Virginia: **At the continued meeting of the Council of the Town of Chilhowie held at the Municipal Building, August 22, 2023, at 6:00 p.m.**

Present: **Honorable Gary L. Heninger, Mayor presiding; Councilors Shannon Donnelly, Brent Foster, Bob Jeter, Julie Sturgill and P.J. Wolfe.**

Absent: **Councilor Bill Clear.**

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; Jeff Smarr, Recreation/Special Events Coordinator; and David Haynes, Fire/EMS Chief.**

Mayor Heninger called the meeting to order. Ms. Stephanie Porter-Nichols, Smyth County News and Messenger, gave the Invocation. The Pledge of Allegiance was recited.

Business:

- Overview of Potential $6,000,000 to $7,000,000 Water Replacement Project for Seven Mile Ford Main Line from Corporate Limits and System Wide Meter Replacement Project, Award Letter and Contract – The total funding package for the construction project is $3,500,000. The funding package consists of $2,345,000 as principal forgiveness or grant and $1,155,000 as a loan for a term of 30 years at a rate of 0.5% below the 30-year market rate in the month before loan closing. The second funding package will be awarded Spring 2024.

  Councilor Bill Clear entered the meeting at 6:06 p.m.

  Mr. Dennis Amos, Hurt & Proffitt, appeared before Council and reported on the scope of work for the Seven Mile Ford lead service line replacement project. The first task is to complete the Preliminary Engineering Report, which will take a couple of months to gather the data. Once the Preliminary Engineering Report is complete it will also serve as a Town wide water model. Then Hurt & Proffitt will begin to survey and create a base map. The project is estimated to be four miles in length and will require a lot of coordinating with outside agencies. Hurt & Proffitt expects to complete the Preliminary Engineering Report and design phase during 2024. Once those are completed a request for additional funds will be submitted and hope to advertise for bids at the beginning of 2025.

  Mr. Amos also reported the Virginia Department of Health is now requiring an Asset Management Plan when requesting funding. The Virginia Department of Health provides a spreadsheet template to key in all water lines, tanks and all other water assets. Then it requires to estimate when the items were installed and project their life expectancy. Once

completed the spreadsheet can determine how much funds are to be set aside each year for replacement.

The total cost of Preliminary Engineering Report and Design Phase is $455,000. The Town is unable to request reimbursement from the Virginia Department of Health until the loan closes therefore the Town is unable to pay the cost for the Preliminary Engineering Report and Design Phase of the project at this time. Mr. Amos stated Hurt & Proffitt is willing to make an agreement if the Town will pay $150,000 upfront and submit the remaining balance of $305,000 once the loan is closed. The first invoice would not be due before the year 2024 and the agreement for payment language will be included in the contract.

- Presentation of Labor Quote and Estimated Material Cost for Balance of Construction at Splash Pad Complex from Davidson Building and Remodeling Cost/Revenue Breakdowns – Davidson Building and Remodeling has submitted a quote in the amount of $62,800 for labor for the construction of the amenities to be located at the Splash Pad. The Town will purchase the materials at the estimated cost of $55,000 to $60,000. The Town will perform some work for the Splash Pad project such as installation of the water and sewer line, digging footers for the restrooms and installing conduit. The pre-construction conference is scheduled for September 7, 2023 and the project is scheduled to begin September 25, 2023.

  Concerning procurement, the Town advertised for bids and received no bids for the Splash Pad amenities. Virginia Code §2.2-4303 gives the Town authority upon determination and upon writing there were only one source practically available to do a project. The only source practically determined available is Davidson Building and Remodeling because no one else bid on the project. The Town is authorized to enter into a contract under the Single Source Procurement.

  The estimated total project cost is $335,800 to $340,800. Revenue generated to fund the project is $125,000 from the American Rescue Plan Act funds and $125,000 donated by the Smyth County Foundation leaving a deficit of $85,800 to $90,800. The deficit may partially be made up by utilizing $20,000 from the American Rescue Plan Act funds that is earmarked for Business Development leaving a remaining balance of $30,000 for Business Development. Also, the Town budgeted $12,000 for Recreation and Smyth County is funding the Town $25,000 for Recreation leaving a surplus of $13,000 that can be utilized for the Splash Pad project. The Town can support the remaining balance of $52,800 to $57,800 from the General Fund.

Motion by Brent Foster, second by Bob Jeter Council approves the Splash Pad Spending Plan by utilizing $20,000 from the American Rescue Plan Act funds, $13,000 Recreation surplus and supporting the remaining balance of $52,800 to $57,800 from General Fund. The motion was approved with following recorded vote:

Bill Clear	Aye	Shannon Donnelly	Aye
Brent Foster	Aye	Bob Jeter	Aye
Julie Sturgill	Aye	P.J. Wolfe	Aye

Motion by Bob Jeter, second by Julie Sturgill Council approves the proposed contract from Davidson Building and Remodeling under the Single Source Procurement. The motion was approved with following recorded vote:

Bill Clear	Aye	Shannon Donnelly	Aye
Brent Foster	Aye	Bob Jeter	Aye
Julie Sturgill	Aye	P.J. Wolfe	Aye

- Proposed Pay Adjustments for Fire/EMS Department in Relation to Proposed Town and County Agreement – Council had previously approved an agreement with Smyth County and the Town of Marion for the Provision of Emergency Medical Services. The agreement calls for personnel starting pay to be negotiated between the parties and shall stay equal throughout the County to ensure equal opportunities for all parties. At this time the Town's starting salaries is significantly lower than the surrounding area. If pay adjustments are approved to compare with Smyth County, the Town would become one of the higher paying departments in Southwest Virginia.

  It was suggested to increase the starting pay for a Firefighter/EMS–Basic to $37,082, and increase the starting pay for a Firefighter/EMS-Paramedic to $45,748. It was also suggested to increase the individual employee pay such as the current Lieutenant would increase to $50,918, the current Firefighter/EMT-Paramedic would increase to $49,676, another current Firefighter/EMT-Paramedic would increase to $46,891 and the current Firefighter/EMT-Basic would increase to $38,009. If approved the pay increase would become active after September 14, 2023. Smyth County will reimburse a percentage of the new salaries per the agreement.

Motion by Bob Jeter, second by Brent Foster Council approves the suggested increase of the pay scale contingent upon Smyth County approving the agreement between the County of Smyth, the Town of Marion and the Town of Chilhowie. The motion was approved with following recorded vote:

Bill Clear	Aye	Shannon Donnelly	Abstain
Brent Foster	Aye	Bob Jeter	Aye
Julie Sturgill	Aye	P.J. Wolfe	Aye

Councilwoman Sturgill expressed concern with the pay gap between Fire/EMS and the Police Department. More information will be provided at a later date concerning the pay gap.

- Council's Receipt of Latest Mayor/Council Handbook – Council was issued the 2021 Edition of the Handbook for Virginia Mayors and Council Members during the regular scheduled Thursday, August 10, 2023 Council meeting. Mrs. Henderson and Mrs. Eller gave a brief overview of different sections in the book that may interest the Mayor and Council members.

Any Other Council Business:

A Council member expressed concern for a new business opening in Town. The new business is promoting adult sharing of marijuana. The retail sale of marijuana is not approved and illegal and medical marijuana is extremely regulated. The Virginia State Code permits adult sharing up to one ounce. It was inquired if the Town can do anything to prevent this business from opening in Town. A business must be subject to Zoning issues in order to be prevented from opening. The area the business is to be located is zoned Business. It was suggested to involve the Commonwealth Attorney.

Closed Session:

- To Discuss Finance Department Personnel – Justification Section 2.2-3711(A)1 of the Code of Virginia, as amended.

Motion by Brent Foster, second by Bill Clear and unanimously passed Council hereby enters into Closed Session under Section 2.2-3711(A)1 of the Code of Virginia as amended, to discuss Finance Department Personnel. The motion was approved with following recorded vote:

Bill Clear	Aye	Shannon Donnelly	Aye
Brent Foster	Aye	Bob Jeter	Aye
Julie Sturgill	Aye	P.J. Wolfe	Aye

Motion by Brent Foster, second by Bill Clear and unanimously passed Council hereby enters into Open Session. The motion was approved with following recorded vote:

Bill Clear	Aye	Shannon Donnelly	Aye
Brent Foster	Aye	Bob Jeter	Aye
Julie Sturgill	Aye	P.J. Wolfe	Aye

Certification of Closed Session

The Town of Chilhowie has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and Section 2.2-3711(A)1 of the Code of Virginia requires a certificate by the Council that such closed meeting was conducted in conformity with Virginia law.

NOW, THEREFORE, BE IT RESOLVED that the Council of the Town of Chilhowie hereby certified that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certificate applies, and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Town Council.

Approved with the following roll call vote:

Bill Clear	Aye	Shannon Donnelly	Aye
Brent Foster	Aye	Bob Jeter	Aye
Julie Sturgill	Aye	P.J. Wolfe	Aye

Motion by Julie Sturgill, second by Brent Foster Council adjourns this meeting at 7:40 p.m. The motion was approved with following recorded vote:

Bill Clear	Aye	Shannon Donnelly	Aye
Brent Foster	Aye	Bob Jeter	Aye
Julie Sturgill	Aye	P.J. Wolfe	Aye

_____Mayor
Gary L. Heninger

_____Clerk
Marlene L. Henderson, MMC