

**Virginia:** At the regular meeting of the Council of the Town of Chilhowie held at the Municipal Building, June 13, 2019 at 7:00 p.m.

**Present:** Honorable Gary L. Heninger, Mayor presiding; Councilors Donna S. Blevins, Billy L. Clear, Alan W. Counts, Emily Dungan, Brent Foster, and Lewis W. Shortt, Jr.

**Absent:** None.

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

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 Alan Counts Council adopts the regular May 9, 2019 and continued May 16, 2019 meeting minutes as presented. The motion was approved with following recorded vote:

Donna Blevins	Aye	Bill Clear	Aye
Alan Counts	Aye	Emily Dungan	Aye
Lewis Shortt	Aye	Brent Foster	Aye

**Citizens Time:**

Lynn Pease, 752 Skyview, appeared before Council to give the Library report for May 2019. During the month of May seventy-seven patrons visited the Library and seven children's programs were held with a total of 140 in attendance. An increase in patrons is expected during the summer months. The summer programs began today with the *Snakes Alive* program, two hundred participants attended. The *Scams Against Seniors* program was held and the *NASA Sky Lab* portable planetarium is scheduled for the end of June.

**Public Presentation:**

- Michelle Hartzog and Michael Carter of the Multi-Disciplinary Team on Older Americans Day - Michael Carter appeared before Council to report on the 18<sup>th</sup> Annual Older Americans Day. This year marks the 6<sup>th</sup> year this event has been held in the Town of Chilhowie. Over 1,050 hotdogs were served and 94 vendors participated. This Senior

event is the largest held in Southwest Virginia. Mr. Carter, on behalf of the MDT Team, expressed their appreciation for all the support the Town of Chilhowie provides for this event each year.

- Ms. Peggy Hurley, US Department of Commerce on 2020 Census – Ms. Hurley appeared before Council to report on the upcoming 2020 Census. Ms. Hurley stated the Census is mandated by the United States Constitution and used to apportion seats in the United States House of Representatives. Three stages of the Census are the Education Phase, Promotion Phase and Motivation/Action Phase. Ms. Hurley requested the consideration of developing a Census Committee to assist with the Census data collection.
- Ms. Kenan Hamilton and Rebecca Dowell on 5K Memorializing Lucas Dowell and Will Walker - Mrs. Hamilton and Mrs. Dowell appeared before Council requesting approval to host a 5K Run/Walk memorializing Lucas Dowell and Will Walker. The proceeds from the event will be donated to Operation Smile that assists children with cleft lips and palates. The 5K is scheduled for Saturday, September 21, 2019 and will begin and end at Chilhowie High School. The Ladies are currently in the process of obtaining a \$1 million liability insurance policy for the event.

Motion by Brent Foster, second by Alan Counts Council approves the 5K Memorializing Lucas Dowell and Will Walker and approves for it to become an annual event. The motion was approved with following recorded vote:

Donna Blevins	Aye	Bill Clear	Aye
Alan Counts	Aye	Emily Dungan	Aye
Lewis Shortt	Aye	Brent Foster	Aye

**Public Hearing:**

- 2019 – 2020 Budget Proposal – Mrs. Marlene Henderson presented the following:

NOTICE OF PUBLIC HEARING  
2019-2020 BUDGET PROPOSAL  
TOWN OF CHILHOWIE, VIRGINIA

Pursuant to Section 15.2-2506 of the Code of Virginia (1950), as amended, Council for the Town of Chilhowie will conduct a public hearing on the proposed fiscal year 2019-2020 town budget beginning at 7:00 p.m. Thursday, June 13, 2019 in Council Chambers, 325 East Lee Highway, Chilhowie, Virginia.

This synopsis is published for information and planning purposes only and will serve as a guide to earmark expenditures and allocate revenues. The proposed budget in no way obligates the Town of Chilhowie to any expenditure. Any citizen is invited to attend the public hearing on the budget proposal and state their views thereon. A copy of the proposed budget is on file and may

be examined in the office of the Clerk located in the Municipal Building, 325 East Lee Highway, Chilhowie, Virginia 24319.

By Order of the Chilhowie Town Council – John E.B. Clark, Jr., Town Manager

**Estimated Revenues**

Property Tax	\$ 253,409
Business License Tax	\$ 115,000
Utility Tax	\$ 102,000
Communication Tax	\$ 40,000
Consumption Tax	\$ 9,000
Sales Tax	\$ 65,000
Meals Tax	\$ 570,000
Sale of Equipment	\$ 29,750
Cigarette Tax	\$ 58,000
Other Taxes	\$ 62,400
Fines	\$ 105,000
Law Enforcement Funds	\$ 78,624
Rolling Stock Tax	\$ 2,600
Miscellaneous	\$ 37,286
Garbage	\$ 133,142
Recreation	\$ 15,000
Building Inspection	\$ 5,000
Reserves	\$ 62,250
Water Billing, Penalties, Fees, Connections	\$1,675,863
Fire Protection Hydrant Replacement	\$ 26,520
Sewer Billing, Fees, Connections	\$ 698,846
Smyth County Sewer Reimbursement	\$ 210,000
Fire/EMS Billing	\$ 320,000
Fire/EMS Grants	<u>\$ 107,350</u>
<b>Revenues</b>	<b>\$4,782,040</b>

**Proposed Expenditures**

Administration Wages, Fringe	\$ 273,800
Contract Services	\$ 24,000
Community Development	\$ 47,118
Building Inspection	\$ 3,400
Operations, Utilities	\$ 124,551
Capital Outlay	\$ 5,000
Wellness & Community Development Wages, Fringe	\$ 21,275
Operations	\$ 27,300
Walking Trail	\$ 17,231
Capital Outlay	\$ 10,000
Building & Grounds Wages Operations, Utilities	\$ 150,000
Capital Outlay	\$ 55,950
Garbage	\$ 139,725
Public Safety Wages, Fringe Operations	\$ 502,201
Capital Outlay	\$ 133,000
Operations, Utilities	\$ 5,533
CDBG Downtown Project	\$ 458,000
Water Wages, Fringe	\$ 32,379
Fire Protection, Hydrant Replacement	\$ 527,000
Debt Service	\$ 26,520
Capital Outlay	\$ 488,174
Sewer Wages, Fringe	\$ 50,300
Operations, Utilities	\$ 271,000
Debt Service	\$ 249,500
Capital Outlay	\$ 402,000
Fire/EMS Wages, Fringe	\$ 48,500
Operations, Supplies-Fire/EMS	\$ 287,585
Capital Outlay	\$ 205,898
Debt Service	\$ 132,400
<b>Expenditures</b>	<b>\$4,782,040</b>

Note:

This budget includes:

- Outside Corporation Water Rate Increase 7%
- Inside Corporation Water Rate Increase 9%
- Outside Corporation Sewer Rate Increase 7%
- Inside Corporation Sewer Rate Increase 9%
- \$1.50 Per Month Garbage Rate Increase
- \$1.00 Per Month Fire Protection Hydrant

Mayor Heninger opened the Public Hearing at 7:35 p.m.

Donna Blevins I did have a phone call this afternoon about the increases in water and garbage collection and everything because of the Senior Citizens and their fixed incomes. It wasn't...they were just expressing concern about it.

Mayor Heninger closed the Public Hearing at 7:36 p.m.

**Old Business:**

- Council/Staff Comments after Public Hearing and Selection of Adoption Date - Council set the adoption date for the 2019-2020 Budget for June 27, 2019 at 7 p.m.

Motion by Brent Foster, second by Donna Blevins Council schedules the adoption date for the 2019-2020 Budget for June 27, 2019 at 7 p.m. The motion was approved with following recorded vote:

Donna Blevins	Aye	Bill Clear	Aye
Alan Counts	Aye	Emily Dungan	Aye
Lewis Shortt	Aye	Brent Foster	Aye

- Update on Farmer's Market Project – Dennis Amos, Hurt and Proffitt, appeared before Council to report the bonds have been submitted by the contractor and an error was discovered by the Town's Attorney and has since been corrected. Once Rural Development gives the Notice To Proceed and the Contractor begins work the project must be completed within ninety days.

Ron Cahill, Recreation and Special Events Coordinator, reported once the structure is complete and prior to the 2020 Farmer's Market season he will develop and administer a post card type of notification of market hours and scheduled events to place throughout Town.

- Update on 2018-2019 and 2019-2020 Paving – The Contractor is currently working on a large job and once complete they will mobilize in the Town to begin paving of Loaves and Fishes parking area, Terrace Avenue, Pendleton Avenue and William Street.
- Report on Virginia Department of Transportation Street Sweeping Downtown and Walton Paving and Future Work – Concerns have been expressed concerning Virginia Department of Transportation's street maintenance but has since improved. The Virginia Department of Transportation is currently sweeping streets within the Town.

- Update on Mill Creek Regional Water Treatment Plant and Payment on the Lane Group Engineering Services – June 1, 2018 was the substantial completion date for the Water Treatment Plant but substantial completion was actually met February 2019. The Contractor is currently working toward a final inspection. The Lane Group requested payment for Amendment 6A that was approved by the Chilhowie Town Council as well as Washington County Service Authority. Rural Development did not approve paying the amendment in early 2019 and deferred the payment until the project achieved final completion. Amendment 6A is in the amount of \$38,958.00, the Town is responsible for 56% and Washington County Service Authority is responsible for the remaining 44%. The Town’s portion owed for Amendment 6A is \$21,816.48. The Town can pay the invoice and collect from liquidated damages.

Motion by Brent Foster, second by Emily Dungan Council authorizes Town Manger to pay the portion of 30% of the Amendment 6A in the amount of \$21,816.48. The motion was approved with following recorded vote:

Donna Blevins	Aye	Bill Clear	Aye
Alan Counts	Aye	Emily Dungan	Aye
Lewis Shortt	Aye	Brent Foster	Aye

- Town Manager Evaluation and Request to Take Health Insurance Back to 80% from 75% Town Payment – During the Fiscal Year 2018-2019 Mr. Clark, Town Manager, requested Council to reduce the contribution the Town pays toward his employee health insurance coverage from 80% to 75% due to Council graciously agreeing to cover retirees and elected officials. Mr. Clark requests to return to the 80% contribution to be made by the Town.

Evaluation forms were presented to Council for the Town Manager’s evaluation. Council members are to complete the forms and submit to Mrs. Marlene Henderson who will compile the data.

Motion by Donna Blevins, second by Brent Foster Council accepts the Town Manager’s request of 80% of the health insurance premium be paid by the Town. The motion was approved with following recorded vote:

Donna Blevins	Aye	Bill Clear	Aye
Alan Counts	Aye	Emily Dungan	Aye
Lewis Shortt	Aye	Brent Foster	Aye

- Update and Final Pay Request East Lee Highway Sidewalk Project – The final pay request for the East Lee Highway Sidewalk project is in the amount of \$20,156.88 for

the replacement of the rip rap to grass. The project was completed with \$28,000 under budget.

Motion by Emily Dungan, second by Alan Counts Council approves the final pay request for the East Lee Highway Sidewalk project in the amount of \$20,156.88. The motion was approved with following recorded vote:

Donna Blevins	Aye	Bill Clear	Aye
Alan Counts	Aye	Emily Dungan	Aye
Lewis Shortt	Aye	Brent Foster	Aye

Mr. Keen, Public Works Director, reported he has found a solution for the bump in the road at the intersection of Aker Avenue and Lee Highway. A type of rubber mat can be placed to decrease the substandard drainage issue. The Virginia Department of Transportation granted permission to move forward with this repair. The total cost is estimated to be under \$1,000.

**Committee Reports:**

- Finance and Personnel on Additional Cost of Living Increase and Short Term Rentals – The Finance and Personnel Committee met June 3, 2019 and reviewed the matter of an additional pay increase of 1% be added to the approved 1.75% cost of living adjustment for a total cost of living adjustment of 2.75% across the board.

Motion by Brent Foster, second by Donna Blevins Council authorizes the 2019-2020 Budget to include an additional 1% to the cost of living adjustment of 1.75% for a total cost of living adjustment of 2.75%. The motion was approved with following recorded vote:

Donna Blevins	Aye	Bill Clear	Aye
Alan Counts	Aye	Emily Dungan	Aye
Lewis Shortt	Aye	Brent Foster	Aye

**Department Reports:**

Mr. John Clark, Town Manager, reported Smyth County of Board of Supervisors is contributing \$16,000 additional funds to the Town that was not included in the 2019-2020 Budget. The Police Department received a letter of appreciation from a motorist that was assisted on Interstate 81. A zoning matter at 805 Old Stage Road was briefly discussed. Mr. Paul Cassell, Town Attorney, stated the matter is too premature to discuss in detail but assured Council the Contractor will be treated fairly. A Planning Commission meeting is scheduled for Monday, June 17, 2019 at 5:30 p.m. to address the matter.

Mrs. Marlene Henderson, Clerk-Treasurer, reported the 2017 Audit has been completed and Hicok, Brown and Company CPAs will present the audit to Council during the July 11, 2019 meeting.

Mr. Stephen Price, Police Chief, reported that Officer Millsaps graduated from the Police Academy on May 30, 2019 and is currently undergoing the required field training.

Mr. Jay Keen, Public Works Director, reported the Public Works Department is currently replacing missing and old dilapidated 911 signs. The Virginia Department of Transportation will be installing six No Parking signs along the East Lee Highway Sidewalk project area within the near future.

Ron Cahill, Recreation Director/Special Events Coordinator, reported the Farmer's Market is open each Thursday 3 p.m. until 6 p.m. The Cruise In is averaging twenty cars each event and a Yoga class is now offered on Tuesdays at the Old High School from 6:30 p.m. until 7:45 p.m.

Motion by Donna Blevins, second by Brent Foster continues this meeting until June 27, 2019 at 7:00 p.m. The motion was approved with following recorded vote:

Donna Blevins	Aye	Bill Clear	Aye
Alan Counts	Aye	Emily Dungan	Aye
Lewis Shortt	Aye	Brent Foster	Aye

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Gary L. Heninger Mayor

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Marlene L. Henderson, MMC Clerk