

Town of Pennington Gap
Council Meeting and Budget Amendment Public Hearing
March 20, 2023

Record of attendance:

6:00 PM

Mayor:	Larry Holbrook
Council:	Doug Alsup Jeff Martin Gary McElyea Terry Pope Jimmy Warner
Town Manager:	Keith Harless
Assistant Town Manager:	Brian Skidmore
Treasurer:	Tina Rowe, MGT
Town Attorney:	Greg Edwards
Town Clerk:	Karen Maggard
Police Chief:	Jesse Jones
Powell Valley News:	Rick Watson
Citizens:	Jeff Johnson, Shannon Johnson
Robinson, Farmer & Cox CPA:	Scott Wickham

1. Mayor Holbrook called the meeting to order and opened the public hearing at 6:00 PM.
2. Pledge of Allegiance
3. **Agenda-** Jeff Martin made a Motion to accept the agenda. Gary McElyea seconded the Motion. Roll call vote as follows:

Terry Pope	Aye
Jeff Martin	Aye
Gary McElyea	Aye
Larry Holbrook	Aye
Jimmy Warner	Aye
Doug Alsup	Aye

4. **Approval of Minutes**
 - a) Jeff Martin made a Motion to approve the minutes of February 21st and 28th. Gary McElyea seconded the Motion. Roll call vote as follows:

Terry Pope	Aye
Jeff Martin	Aye
Gary McElyea	Aye
Larry Holbrook	Aye
Jimmy Warner	Aye
Doug Alsup	Aye

5. **Pay bills-**Larry Holbrook made a Motion to pay the bills as presented. Jeff Martin seconded the Motion. Roll call vote as follows:

Terry Pope	Aye
Jeff Martin	Aye
Gary McElyea	Aye
Larry Holbrook	Aye
Jimmy Warner	Aye

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Doug Alsup Aye

6. Citizen's Recognitions –

Jeff Johnson, Vice Mayor of Jonesville and wife, Shannon, Jonesville Woman's Club member attended to observe the meeting.

- a) Resolution in support of environmental Justice Government-to-Government Program as required by Appalachian Voices to apply for funding. Jeff Martin made a Motion to support the resolution and any funding. Gary McElyea seconded the Motion. Roll call vote as follows:

Terry Pope	Aye
Jeff Martin	Aye
Gary McElyea	Aye
Larry Holbrook	Aye
Jimmy Warner	Aye
Doug Alsup	Aye

- b) Vietnam War Veterans Day Resolution, March 29, 2023 submitted by Roberta Smallwood- Jeff Martin made a Motion mark March 29, 2023 as Vietnam War Veterans Day. Gary McElyea seconded the Motion. Roll call vote as follows:

Terry Pope	Aye
Jeff Martin	Aye
Gary McElyea	Aye
Larry Holbrook	Aye
Jimmy Warner	Aye
Doug Alsup	Aye

7. Unfinished business:

- a) **Auditor's report given by Scott Wickham of Robinson, Farmer & Cox, CPA-** A Good, Unmodified, Clean Opinion report handed out to Council members. A suggestion as the only negative; Council plan to alleviate due-to fund to remove sewer fund negative balance, forgive or repay water to sewer fund and vice versa to eliminate the due-to. Propose that we have fewer year-end adjustments necessary and that water, sewer fund income may need to be higher to cover a 115% net revenue for debt service. Decrease expense or increase income.

- b) **Public Hearing – Budget Amendments-** No one present on the subject. Jeff Martin made a Motion to close the hearing. Terry Pope seconded the Motion. Roll call vote as follows:

Terry Pope	Aye
Jeff Martin	Aye
Gary McElyea	Aye
Larry Holbrook	Aye
Jimmy Warner	Aye
Doug Alsup	Aye

Terry Pope made a Motion to approve the budget amendments as presented. Jeff Martin seconded the Motion. Roll call vote as follows:

Terry Pope	Aye
Jeff Martin	Aye
Gary McElyea	Aye

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Larry Holbrook	Aye
Jimmy Warner	Aye
Doug Alsup	Aye

8. **New business:** none
9. **Monthly Reports:** Monthly Reports – Water, Sewer, Treasurer, Public Works, Police Dept., Fire Dept. Lee Theatre, Parks & Recreation (reports in council packets).
10. **Administrative Reports-** Mayor Larry Holbrook/Keith Harless/Tina Rowe/Brian Skidmore.

a) **Treasurer Report-** Tina Rowe advised that the Local Choice Insurance is increasing 4.4% for the next year which is less than last year. Terry Pope made a Motion to continue with the Local Choice. Gary McElyea seconded the Motion. Roll call vote as follows:

Terry Pope	Aye
Jeff Martin	Aye
Gary McElyea	Aye
Larry Holbrook	Aye
Jimmy Warner	Aye
Doug Alsup	Aye

Tina also reported that due to the 50/50 loan on the water meter project, Bond Counsel and a public hearing are required. Bond Counsel will be between \$8K and \$15K. Terry Pope made a Motion to hire Sam Darby, recommended by VRA and he has done this for us before. Jeff Martin seconded the Motion. Roll call vote as follows:

Terry Pope	Aye
Jeff Martin	Aye
Gary McElyea	Aye
Larry Holbrook	Aye
Jimmy Warner	Aye
Doug Alsup	Aye

Jeff Martin made a Motion to have the public hearing for the project the same day as Council meets next month, April 17, 2023 at 6:00 PM. Terry Pope seconded the Motion. Roll call vote as follows:

Terry Pope	Aye
Jeff Martin	Aye
Gary McElyea	Aye
Larry Holbrook	Aye
Jimmy Warner	Aye
Doug Alsup	Aye

b) **Assistant Town Manager Report-**Brian reported that he had met with Lee PSA recently on the meter replacement for St. Charles sewer and the project is going forward. He is pleased with the location near the ATV parking lot and will monitor the work. EMS now responds on an average of 4 calls per day and we are starting to see income from the billing start-up. He also reported the loss of a large lawn mower due to beyond economic repair and the

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need to purchase another for the 80 acres we mow. He estimated less than \$10K. Jeff Martin made a Motion to purchase the needed mower. Larry Holbrook seconded the motion. Roll call vote as follows:

Terry Pope	Aye
Jeff Martin	Aye
Gary McElyea	Aye
Larry Holbrook	Aye
Jimmy Warner	Aye
Doug Alsup	Aye

Jeff Martin made a Motion to finance the purchase of the mower through a local bank at the best rate offered. Gary McElyea seconded the Motion. Roll call vote as follows:

Terry Pope	Aye
Jeff Martin	Aye
Gary McElyea	Aye
Larry Holbrook	Aye
Jimmy Warner	Aye
Doug Alsup	Aye

c) **Town Manager Report**-Keith noted we are making plans to recognize the efforts of the original Theatre Committee and the 10th Anniversary of the re-opening of Lee Theatre during the Tobacco Festival. He is also looking for a big entertainment show for the event.

11. **Projects**

- a) **ARC Business Center/Conference Center**-Keith has been in contact with Sen. Warner's office on funding through a Congressional Grant in the amount of \$1,000,000 with an 80/20 match. He also has contacted Morgan Griffith's office for a similar grant for the 20% match possibly.
- b) **Industrial Revitalization Fund ARPA Grant Application**- Keith signed contracts with the architect who estimated the asbestos abatement at \$45K. He has priced doing the contracting direct with bids received. Terry Pope made a Motion to accept the low bid from E. Luke Green Co. for asbestos abatement for \$12,250. Jeff Martin seconded the Motion. Roll call vote as follows:

Terry Pope	Aye
Jeff Martin	Aye
Gary McElyea	Aye
Larry Holbrook	Aye
Jimmy Warner	Aye
Doug Alsup	Aye

- c) **Historic Designation**- Hill Studio representatives will be here this week to catalog the Historic downtown buildings. The area includes from west at the old ODP/Flanary building (now Halos) east to the churches, south to the railroad and north to the Rescue Squad.
- d) **Virginia Housing Stabilization Grant**- Keith has signed the contract for work to begin April 20 and placed an advertisement for help to remove the old roof before then.
- e) **Wastewater Treatment Plant Repair Grants**- Brian said the project is approved for a VRA loan but the river crossing project was declined with DEQ ARPA funding. Only 23 of 183 projects were funded. We expect to hear from DEQ late May on whether they will forgive any debt. We

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have 5 projects to apply for funding every 2 years up to 2032. Old terracotta pipe sewer lines need replacement along with many creek crossings, with short sections and lots of joints.

f) **Water Treatment Plant Structural Repair Grants**-will require submitting a plan on the clear well to the health department to reduce the clear well.

12. **Town Attorney**-Greg reported taxing on the rescue squad was miscoded, he discussed with Lee County Commissioner and as a non-profit, it was not owed. We may need further clarification on alcoholic beverage tax if it is not sold with a meal as listed in our code.

13. **Council Member reports:**

All the council members welcomed Doug Alsup to the group. He will fulfill the rest of Mrs. Carson's term. Terry Pope asked that we consider a group of sponsors who will back some of the shows we have requests for, that if the show does not pay for itself, the group would then pay the loss.

14. **Closed session**- At 7:00 PM, Terry Pope made a Motion to go into executive session pursuant to;

§ 2.2-3711(A)(1): Personnel. Provides an exemption for:

Discussion, consideration, or interviews of prospective candidates for employment; assignment, appointment, promotion, performance, demotion, salaries, disciplining, or resignation of specific public officers, appointees, or employees of any public body; and evaluation of performance of departments or schools of public institutions of higher education where such evaluation will necessarily involve discussion of the performance of specific individuals.

§ 2.2-3711(A)(3): Acquisition & disposition of property. Provides an exemption for:

Discussion or consideration of the acquisition of real property for a public purpose, or of the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body.

Virginia Code Section 2.2-3711(A)(5) Discussion concerning a prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities in the community.

Virginia Code Section 2.2-3711(A)(6) Discussion or consideration of the investment of public funds where competition or bargaining is involved, where, if made public initially, the financial interest of the governmental unit would be adversely affected.

Jeff Martin seconded the Motion. Roll call vote as follows:

Terry Pope	Aye
Jeff Martin	Aye
Gary McElyea	Aye
Larry Holbrook	Aye
Jimmy Warner	Aye
Doug Alsup	Aye

At 7:55 PM, Terry Pope made a Motion to reconvene to regular session. Gary McElyea seconded the Motion. Roll call vote as follows:

Terry Pope	Aye
Jeff Martin	Aye
Gary McElyea	Aye
Larry Holbrook	Aye
Jimmy Warner	Aye
Doug Alsup	Aye

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Terry Pope made a statement to attest that nothing was discussed during closed session other than the issues stated. Roll call vote as follows:

Terry Pope	Aye
Jeff Martin	Aye
Gary McElyea	Aye
Larry Holbrook	Aye
Jimmy Warner	Aye
Doug Alsup	Aye

Terry Pope made a Motion to forgive inter-departmental debt (due-to) as suggested in the audit report. Larry Holbrook seconded the Motion. Roll call vote as follows:

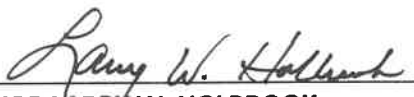
Terry Pope	Aye
Jeff Martin	Aye
Gary McElyea	Aye
Larry Holbrook	Aye
Jimmy Warner	Aye
Doug Alsup	Aye

Terry Pope made a Motion to appoint Dustin Evans to the Industrial Development Authority. Jeff Martin seconded the Motion. Roll call vote as follows:

Terry Pope	Aye
Jeff Martin	Aye
Gary McElyea	Aye
Larry Holbrook	Aye
Jimmy Warner	Aye
Doug Alsup	Aye

At 7:58 PM, Larry Holbrook made a Motion to adjourn the meeting. Terry Pope seconded the Motion. Roll call vote as follows:

Gary McElyea	Aye
Terry Pope	Aye
Larry Holbrook	Aye
Jimmy Warner	Aye
Jeff Martin	Aye


MAYOR LARRY W. HOLBROOK

ATTEST:


KAREN MAGGARD, CLERK

CERTIFICATION OF CLOSED SESSION

WHEREAS, the Council of the Town of Pennington Gap, Virginia has convened closed session meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

WHEREAS, 2.2-3711 of the Code of Virginia requires a certification by this Council of the Town of Pennington Gap, Virginia that such closed session was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED that the Council of the Town of Pennington Gap, Virginia hereby certifies 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 closed session to which this certification resolution applies, and (ii) only such public business matters as were identified in the Motion convening the closed session were heard, discussed or considered by the Council of the Town of Pennington Gap, Virginia.

VOTE:

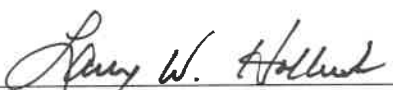
AYES: Mayor Larry W. Holbrook
Terry K. Pope
Jeff Martin
Gary McElyea
Jimmy Warner
Doug Alsup

NAYS: (for each Nay vote the substance of the departure from the requirements of the Act should be described)

ABSENT DURING VOTE: none

ABSENT DURING CLOSED SESSION: none

MEETING DATE: March 20, 2023



MAYOR LARRY W. HOLBROOK