



SOUTH HILL TOWN COUNCIL
REGULAR MEETING MINUTES
MONDAY, MAY 10, 2021, 7:00 P.M.

The regular monthly meeting of the South Hill Town Council was held on Monday, May 10, 2021 at 7:00 p.m. in the Council Chambers of the South Hill Town Hall located at 211 South Mecklenburg Avenue, South Hill, Virginia 23970. To practice physical distancing, public seating was limited, and attendees were asked to wear a mask/facial covering. The public was encouraged to view the meeting livestream via YouTube. Anna Cratch took the minutes.

1. CALL TO ORDER

Honorable Mayor Dean Marion called the regular meeting to order at 7:00 p.m.

2. INVOCATION

Mayor Marion rendered the invocation.

3. ROLL CALL

Mayor Marion called upon Anna Cratch to call the roll, which was as follows:

A. Council Members

Lillie Feggins-Boone
Delores B. Luster
G. Ben Taylor

Alex Graham
W.M. "Mike" Moody
Joseph E. Taylor, Jr.

Gavin L. Honeycutt
Shep Moss

B. Staff in Attendance

Stuart Bowen, Police Chief
Anna Cratch, Town Clerk
C.J. Dean, Dir. of Municipal Services
Carol Hutchinson, HR Manager

Kim Callis, Town Manager
Sheila Cutrell, Dir. of Finance and Admin.
David Hash, Code Compliance Official
Brent Morris, Business Devt. Manager

4. APPROVAL OF MINUTES – APRIL 9 AND 12, 2021

A motion was made by Councilman Honeycutt, second by Councilman Graham, to approve the minutes of the special meeting held on April 9, 2021 as distributed by Anna Cratch. Motion carried unanimously.

A motion was made by Councilwoman Feggins-Boone, second by Councilwoman Luster, to approve the minutes of the regular meeting held on April 12, 2021 as distributed by Anna Cratch. Motion carried unanimously.

5. PROCLAMATION FOR MAY 9 – 15, 2021 AS POLICE WEEK

Mayor Marion read a proclamation as attached designating May 9 – 15, 2021 as Police Week and saluting the service of law enforcement officers in our community and across the nation.

6. PUBLIC HEARINGS

- A. David Hash – RE 2021-2, Request by David Williams to Rezone**
- **Property at 1251 W. Danville Street from C-2 to MX-3, and**
 - **Property behind 1251 W. Danville Street from R1-40 to R2-16**

David Hash informed Council a Public Hearing has been called for comments regarding the request by David Williams to rezone the property at 1251 W. Danville Street from general commercial district C-2 to urban mixed-use district MX-3 and the property behind 1251 W. Danville Street from transitional suburban residential district R1-40 to general dwelling R2-16. The property sought to be rezoned is currently owned by Lone Magnolia Investments, LLC. At the Public Hearing held on May 3, 2021, the South Hill Planning Commission voted to recommend that Council approve the rezoning request.

Mr. Hash opened the Public Hearing.

Perry Templin commented he doesn't think his property touches this property but his biggest concern with any rezoning is traffic and noise. He doesn't want everyone in that area to lose their lifestyle.

In answer to a question from Councilman Moss, the property owner David Williams said it will be 152 apartments and will be the sister project to his Briarcliff complex on Raleigh Avenue. Councilman Moody mentioned the MX-3 will be where the rental building goes.

Mr. Hash closed the Public Hearing. **A motion was made by Councilman Moss, second by Councilman Moody**, to approve the RE 2021-2 request by David Williams to rezone the property at 1251 W. Danville Street from C-2 to MX-3 and the property behind 1251 W. Danville Street from R1-40 to R2-16. Motion carried unanimously.

- B. David Hash – RE 2021-3, Request by CMH to Rezone 500 N. Thomas Street from O-M to R1-15**

David Hash informed Council a Public Hearing has been called for comments regarding the request by CMH to rezone 500 N. Thomas Street from office and medical district O-M to single-family residential district R1-15. At the Public Hearing held on May 3, 2021, the South Hill Planning Commission voted to recommend that Council approve the rezoning request.

Mr. Hash opened the Public Hearing. No one spoke regarding the rezoning request.

In answer to a question from Councilman Honeycutt, Kim Callis stated it was Dr. Allen's old office.

Mr. Hash closed the Public Hearing. **A motion was made by Councilman Honeycutt, second by Councilman Moss**, to approve the RE 2021-3 request by CMH to rezone 500 N. Thomas Street from office and medical district O-M to single-family residential district R1-15. Motion carried unanimously.

C. David Hash – SE 2021-2, Request by Timothy Pulliam to Utilize 227 West Virginia Street for storage of fully-equipped motor vehicles temporarily while awaiting repairs or sale by dealer

David Hash informed Council a Public Hearing has been called for comments regarding the request of Timothy Pulliam for a special exception permit under Article IV, Section 94.1-76 of the Town Zoning Ordinance to utilize 227 West Virginia Street for storage of fully-equipped motor vehicles temporarily while awaiting repairs or sale by dealer. The property is presently owned by Windy Hills Property, LLC. The South Hill Planning Commission recommends Council approve the special exception request.

Mr. Hash opened the Public Hearing.

Ginger Bowersock, 405 Goodes Ferry Road, commented her house is directly behind Daniel's Body Shop whose owner commented at the initial meeting they would put in sound barriers, but they never did. Ms. Bowersock mentioned she has called the Town numerous times on the weekend about loud music. She has been told one of the players of the loud music is a county deputy. She can't sit on her deck and enjoy the afternoon because of the noise. She reported that cars without tags are frequently parked along Virginia Street. She also mentioned there is an old, dilapidated truck parked there, which doesn't help the neighborhood.

As Ms. Bowersock originally spoke under the wrong Public Hearing, Mr. Hash explained Mr. Pulliam has a dealership in Richmond. He is planning on bringing cars down and putting them inside the facility for people in this area to view and purchase. It is not going to be a body shop. He plans to sell high end cars out of the end building which has a garage door to pull the cars inside. This building is right beside Billy Daniels.

Ms. Bowersock's husband James Bowersock also spoke. Mr. Bowersock mentioned he and his wife complained many years ago because when they looked down in that area, they basically saw junk cars all over the place. He mentioned it got better for a couple of years, but he sees things down there again that really shouldn't be allowed in Town as far as the aesthetics. He went on to say they hear the noise from Daniel's because Joey Hayes never put up the sound deflection barrier. Mr. Bowersock expressed an objection to the business growing larger. He commented he and his wife have lived there 20 years and it is not to their lifestyle advantage.

In answer to a question from Councilman Moss, Mr. Hash stated this property is behind Sass and Sawdust. In answer to a question from Councilman Honeycutt, Mr. Hash stated the owner was going to plant some trees for a barrier around two years ago. Mr. Hash mentioned the Town needs to push the owner to do something at this point. Around seven months ago, staff contacted him to move some cars. In answer to a question from Councilman Moss, Mr. Hash stated there is no privacy fence there. The fences are technically for residential, not commercial.

As they are only going to sell high end cars there, Councilman Honeycutt asked if the "while awaiting repairs" wording can be removed. Councilman Joseph Taylor asked if there is some indication the vehicles will all be stored inside or will some be stored outside. Mr. Hash stated Mr. Pulliam said only a few cars will be stored inside. The main office will remain in Richmond. Councilman Honeycutt mentioned the former Council failed to follow up. He went on to say Council needs to revisit this and do their due diligence as promised. Councilman Moss mentioned the need to go back and see if a privacy fence or trees were mandated as that may help the situation in its entirety. As Councilman Honeycutt had earlier asked, Councilman Moody asked if the "while awaiting repairs" wording can be removed or does another Public Hearing have to be held. David Hash commented that is the way it is

written in our table of permitted uses so that is how it got transferred. Kim Callis stated Council can place a condition/stipulation on a special exception request. Councilman Moody commented that Council could do a special exception to eliminate while awaiting repairs, to be just for sale by dealer, and that all vehicles would need to remain inside, out of view from the public. Councilman Joseph Taylor asked by amending the language do we have to then readvertise. Mr. Callis commented since the special exception is being made more restrictive, it will address the concerns shared here. He stated he doesn't believe they will need to advertise again. Emphasizing he is pro-business, Councilman Moss asked if we need to advise the property owner that the previous mandates need to be adhered to first before another potential problem gets further down the road. To Councilman Moss's point, Mr. Callis stated the Council could grant the special exception only if the vehicles are stored inside. The other mandate that needs to be revisited is a separate matter to be addressed by the Code Compliance Official to Mr. Hayes. James Bowersock asked for a copy of the correspondence when it is addressed. Councilman Moss mentioned vehicles are manmade; they are going to be brought down here for sale; something is going to happen to one of them and it will need to be repaired. Councilman Moss mentioned he doesn't want to handcuff the owner that a vehicle can't be put outside, but it shouldn't be a wrecked vehicle waiting for bodywork or a new engine that doesn't have tags. That is a separate deal and an abundance of vehicles should not be allowed without mandating a privacy fence at the back of the property. Councilman Moss commented we have required that in the past as a Council and we may have to require it on this.

Mr. Hash closed the Public Hearing. A motion was made by Councilman Honeycutt to approve the SE 2021-2 request for a special exception permit under Article IV, Section 94.1-76 of the Town Zoning Ordinance to utilize 227 West Virginia Street for storage of fully-equipped motor vehicles temporarily for sale by dealer (excluding repair). Councilman Moody asked would this be something we can bypass, let the Code Compliance Official contact the owner of the property, and bring it back before Council at a later time. With a plan to revisit in June, Councilman Honeycutt withdrew his motion.

A motion was made by Councilman Moody, second by Councilman Honeycutt, that SE 2021-2 be continued until next month to allow the Code Compliance Official to get further details regarding this matter and to contact the property owner. Motion carried unanimously.

D. Kim Callis – Proposed FY21-22 Budget and Rates

Kim Callis gave a PowerPoint presentation explaining the major highlights of the proposed FY21-22 budget. The proposed budget expenditure and revenue projections are as follows: General Fund - \$12,231,522 and Water and Sewer - \$12,742,634. Projections include a Water and Sewer Fund deficit of \$663,429. A 5% COLA is proposed for employees. No tax rate increases are proposed. A utility rate increase for consumption greater than 50,000 gallons is proposed.

Mr. Callis opened the Public Hearing for comments regarding the proposed FY21-22 budget and rates for the Town of South Hill.

Many individuals shared comments during the Public Hearing as highlighted below.

1. Earl Horne shared how the Colonial Theatre got started. A group before him worked very hard but could not get any grants and failed at putting the Colonial together. Glenn Barbour was the Chairman of it, and they had several committee members. At the invitation of Mr. Barbour, Mr. Horne attended one of their meetings. They wanted Mr. Horne to take over the Colonial Theatre project of which he did a month later. No money was given; only a bill for \$80,000 was handed over. Mr. Horne went after some grants, made some calls, and explained what was needed. He talked with many people including Virgil Goode, Congressman of the 5th District at that time.

Starting around 2004, Mr. Goode was able to find and get several grants for the project. At the end of the project, Mr. Goode helped obtain \$572,240 in HUD grants. The Southside Planning District Commission was a tremendous help to this project as were the VDOT TEA-21 funds. Around November 2004, the SPDC gave \$242,000. Rural Development, who put in the elevator and a couple of bathrooms, commented \$75,000 had to be raised in donations before they would help. Mr. Horne raised \$50,000 in donations and Rural Development gave \$125,000. Around October 2004, CDBG gave \$20,000. Senator Frank Ruff and Delegate Tommy Wright gave \$35,625 in January 2008. They and Mr. Horne worked with the Virginia Tobacco Commission who gave \$834,750. The GO Bond of \$2,250,000 was supported by the penny tax for meals and lodging. With a lot of help, roughly \$4,000,000 was received between 2001 to 2009. Mr. Horne commented many times were dark and he'd have to ask Kenbridge to slow down work because he didn't have the money at the time. A list of many people that have donated is located at the box office. Celebration night was 2011. The Colonial LLC is a private entity for profit set up by two attorneys. For the past year, Mr. Horne has worked on the Colonial becoming a nonprofit 501(c)(3) and is very close to having that status. The Colonial would be responsible for all repairs. He encouraged the CDA's support. Mr. Horne commented had it not been for Jesus this project would never have been done.

Mr. Horne mentioned that when folks talk negatively about the Colonial Theatre, he wonders have they ever contributed anything to this project, which is worth so much to Southside Virginia and this Town. Performers of all ages and nationalities participate as well as some of the top tribute bands in America and Canada. The Park View Drama Club benefits from the Colonial as well.

Mr. Horne shared that he has kept the employees on through COVID-19. Lauren Epps, the Director, works as hard as she did when the Colonial was open. Doug Wright is there every day of the week keeping a check on things. Karen Terry does a great job with the art galleries, which are currently showcased on Facebook.

Mr. Horne mentioned a negative comment on the Colonial's Facebook page regarding it being closed. He stated Governor Northam closed the theaters. With the regulations, each show would be a cost to the Colonial of \$5,260 vs. \$1,980 of profit. With COVID-19, there is also the chance of a lawsuit if someone claimed they caught it there.

Mr. Horne reported the Colonial presented the one penny tax on the GO Bond to finish the Colonial and help keep it open. The rest of it could go to the Fire Department, Rescue Squad, or any infrastructure. The Town gets the biggest benefit. A member of the Budget and Finance Committee mentioned Mrs. Bracey had stated once the Colonial paid the debt service, the tax would stay at 5½ % for infrastructure, and that all passed. Mr. Horne commented there was another motion back in 2016. At Council's request, he visited all of the restaurants and hotels in South Hill and informed them of the penny tax request of which all eventually were for with the stipulation that the tax be earmarked for the Colonial. A motion carried in April 2016 that the additional revenue generated from the 1% increase in the local Meals and Lodging Tax rate from 4.5% to 5.5% adopted in FY09 be henceforth earmarked to meet the needs of the Colonial Center for Performing Arts.

Mr. Horne shared he heard someone said he is getting \$80,000 (the cost of the grand piano). He shared that the grand piano was large and not being used. It was stored in the basement and lifted with a lift device, which broke on one occasion. Mr. Horne reported he contacted Ursula Butts, President of the South Hill Performing Arts Council (who donated the piano), and informed her the piano was too much of a liability. The Performing Arts Council understood it was best to sell the piano and requested the money from the sale go to a project helping the Colonial. Hoover Piano in Raleigh showed the list price of the piano at \$80,000. They gave the Performing Arts Council a 31% discount bringing it down to \$55,000. The Colonial received and deposited \$34,500 in First Citizens Bank from the sale of the nine-year-old piano. The Performing Arts Council members agreed that was a good number.

Mr. Horne read from a newspaper article, “Moss wondered how the organization that had been shut down since March 2020 could accumulate \$287,856 in reserve.” He stated the expense and revenue for 2020 was \$287,856. It was questioned if the Colonial would be willing to take the money in July. The Colonial always takes it in July. It was also questioned if they could take the other half in December. Mr. Horne asked how they could operate. He commented it irritates him when people throw Jell-O balls against the wall because when the public sees it, they don’t know any different.

Mr. Horne shared that people have informed him they can’t wait to watch the Council meeting videos because the people are crazy. He said industries aren’t going to come here with all this hollering and shouting going on. Mr. Horne stated he spent 28 years in the Mayor chair and six years before that as a Councilman (34 years). He commented he never had an ounce of problem in those years and they brought in industry and retail. He mentioned Microsoft is coming into some industrial parks that he was a part of bringing here. He went on to say Microsoft would not be coming to our area were it not for the Roanoke River Service Authority that he worked on.

Because of the technical glitches forced by the SPA to shut down the portal with no word of when they are going to open it back up for grants, Mr. Horne said it was almost impossible to apply for the Shuttered Venue Operators Grant (SVOG) for theaters. He shared a quote, “Theaters are reminded of Charlie Brown running to kick the football only to have Lucy to snatch it away at the last minute.” He mentioned there are two things, a bucket of water and a bucket of gas; he said to use a bucket of water.

Mr. Horne mentioned when they were talking about the Fire Department, the first thing someone says is “Let’s lawyer up”. He said folks should pray instead. He stressed the importance of a positive vote because it means the Colonial will be a nonprofit 501(c)(3) which would be beneficial, and he welcomes it. He asked Council for their support.

As Councilman Moss was mentioned, he commented he believed Mr. Horne was referring to the article that appeared in the Mecklenburg Sun, and that was a misquote. Mr. Horne asked why Councilman Moss didn’t tell them about it right then. Councilman Moss stated he did. Mr. Horne said it has not been shown in the paper. With the loud voices and questioning during public input, Councilman Ben Taylor interjected stating this is a public input and if Mayor Marion won’t gavel him down then he needs to pass it on to Councilman Moody who will. Councilman Moss

went on to say he stated in a tape-recorded meeting they have accumulated expenses not reserved.

Councilman Honeycutt mentioned several of his constituents asked him about coming to speak this evening and he told them three minutes. He commented Mr. Horne had been up there almost an hour and if we are going to spend an hour with every person here, we are going to be here until 2:00 or 3:00 in the morning. He asked Anna Cratch if it was advertised that they were going to have carte blanche to speak as long as they want. Ms. Cratch responded when you open a Public Hearing, there is no time limit on the speakers. He asked did we make the public aware of that with this Public Hearing. She answered that is the case for all Public Hearings. He continued to ask if that is policy. She repeatedly answered there is no time limit on Public Hearings. Kim Callis commented the three-minute limit only applies to Citizens to Address Council. Councilman Honeycutt stated it should have been made clear before the Public Hearing. Ms. Cratch commented that generally, Councilman Honeycutt should address the Mayor and not her.

2. Bill Solari shared that the Colonial Actors Theatre Society (C.A.T.S.) began in his dining room in July of 2010 with Doug Wright, Cathy Wright, Dr. Cathy Palmer, Sylvia Solari, and himself. Mr. Solari was working with the Lakeland Theater at the time and his idea was to bring shows, but Mr. Horne wanted him to help start a community theater. They decided on the first four shows, of which Joseph and the Amazing Technicolor Dreamcoat (Joseph) was the first in May of 2011. C.A.T.S. rehearsals start eight weeks in advance of the show. He stated the Colonial is the crown jewel for the community. No one else around here has anything to touch it. You have to get rights to do a show and the local businesses have sponsored them. The real importance of this theater is for the youth of this community. They learn discipline, teamwork, how to learn their lines, and how to take direction but the most important thing is the self-esteem and confidence they get to stand up in front of groups of people. Mr. Solari added that you can't find people like Doug Wright and Lauren Epps waiting around on the shelf to be hired.
3. Doug Wright shared that he and Lauren Epps have many relatives in South Hill, and he is not an outsider. Mr. Wright commented he has been involved with theater most of his life. He went on to say a theater cannot survive without community support. Kids of all ages get on stage, do amazing things, and they need this theater.
4. Sophie Crowder, as a member of C.A.T.S. along with her sister Ava, voiced their support for the Colonial. She stated the Colonial has always been a special place for her family who has always supported it even back in its vaudeville theater days. At the age of five, she was the youngest performer in the very first production of the newly renovated theater, Joseph. She informed Council she has participated in many succeeding shows, year after year, honing her artistic abilities as well as developing her confidence in public speaking. Her mother helped develop the youth program, L.Y.N.X. to foster the love of theater arts among the kids in our community. She asked Council to continue to do what they can to support our Colonial Theatre.
5. Jim Simpson identified himself as the token senior citizen Earl Horne spoke of, those over 80. Mr. Simpson informed Council he sang 50+ years with a southern gospel quartet. It ended nine years ago when he developed a medical problem requiring him to come off the road. He reported he retired, and it didn't work for him for he was

more than a little bit depressed and very unhappy. When he had the opportunity to audition for a music revue, he didn't think he would like the style of music, but it was one of the greatest experiences in his life. He refers to the music revues during the following years as the icing on the cake. He was impressed with the building, its management, and its vision and he has made many good friends. He asked Council to consider continuing the funding of the theater because it means so much to a lot of people.

When asked by Councilman Moss if there was a question period with this, Mayor Marion responded, "no".

6. Millie Bracey shared she has many wonderful memories of the old Colonial Theatre. Mrs. Bracey stated the Colonial Center is a tremendous asset and a drawing card to our Town. Patrons of the Colonial also visit our Town shops, restaurants, and gas stations. Citizens and out of towners have contributed donations and in-kind services to this outstanding facility and have worked very hard to make it a success. She reported that in her over 25 years on Town Council, former Mayor Horne kept the Budget and Finance Committee, as well as the entire Council, informed about the progress of this project. The past Councils have supported this project 100%. She stated she truly believes the requested funding of \$175,000 by the Colonial Center should be a part of the South Hill Town budget. She asked Council to do their duty and support this requested funding.
7. Jimmie Keith Crowder informed Council his association with the Colonial Center goes back to 1941 when he viewed his first movie there. Mr. Crowder shared different actors he has watched on the stage over the years. He commented the Colonial is lucky to have Doug Wright. He also shared feelings of deep respect for the leadership in the Council Chambers. He stated the Colonial is an asset and implored Council to come together and work it out.
8. Brian Siegle mentioned one of the most exciting things as an outsider coming here is the Colonial. So many people are involved in productions, not just those on the stage, but backstage, the workshops, and the art gallery. He stated there is proven research that arts improve the lives of all, especially those involved in making it happen. Unfortunately, arts are one of the first things cut in funding. There are precious few opportunities in our area for young people outside of sports and school. He has watched young people grow and mature through their work in the theater. Many groups use it; many more could easily. We have one of the best ball facilities in the region right down the road. We are on the way to one of the best schools in the region. We have one of the best theaters in the region as well. These all make our community better. Theater raises the value of living in the Town and offers affordable entertainment options. That affordability would not be possible without the financial support of the Town. Whatever the problem is, we need to fix it. He encouraged Council to support the budget request for the theater.
9. Elizabeth Black performed for the first time at the Colonial at age four as the littlest angel in The Best Christmas Pageant Ever. She has since been in other productions and the theater has strengthened her confidence to speak in front of others and has pushed her to try to do new things. C.A.T.S. is a Colonial Theatre family of which she is proud to be a part.

10. Michael Carter shared he grew up in church singing with his family and enjoyed wrestling until he aged out. In 2011, Mr. Carter reported he got bit by the stage bug. He asked Council to please not give up on their community and to fund the theater. It is hope for children. He encouraged folks to buy an "I love South Hill" t shirt to convince themselves.
11. Eric Sjurseth shared he has had the privilege of being in plays with his daughter since she was 10 years old (currently a UVA student acting in Russian plays). Mr. Sjurseth informed Council funding the Colonial Theatre is not something totally unique to the Town of South Hill. He went on to list other localities and how they support their theaters. We have given exposure of value and arts to people in this community that very rarely leave this community. This is a business decision. Communities that support their local theater easily get it back tenfold. He urged Council for a yes approval on the budget consideration.
12. Kell Fleshood commented he would repeat what others have said... the arts, the culture, what it does for the kids in building self-esteem and confidence. One of his granddaughters was onstage and one was backstage. His daughter and son-in-law and himself have been active in the theater. It is a family atmosphere. Mr. Fleshood said someone stuck a "Save the Colonial" sticker on him and he thought it was crazy. There is no question of what you have to do; do the right thing!
13. Stephen Berry shared there was a time when he had some personal issues, and if not for the Colonial and his mentor and best friend Douglas Wright, he would not have been able to get himself out of the emotional hole he was in. He begged Council to keep it open.

Stephen Berry read a piece from a former actor Jordan Stroud who mentioned the Colonial gave him a sense of belonging and valuable experience. He commented the Colonial brings quality to Virginia.
14. Kathy Long, a resident of Halifax County, commented her niece performs at the Colonial Center. Ms. Long mentioned she thinks the Colonial plays a huge part in attracting tourists, and everyone benefits from the arts. She stated to defund the Colonial would be a huge disservice to South Hill and Mecklenburg County.
15. Missy Turner reported the Colonial Center has been her second home since 2010. Ms. Turner stated the Colonial is a historical landmark and a source of community pride. She informed Council their support of the Colonial is important to keep it alive and running.
16. Judy Jacquelin reported the inception of the Colonial Theatre was based on community interest. In 2000, the Colonial Theatre Committee was formed. They gained over 300 signatures. A professional fundraising committee met with the Colonial Theatre Committee and donations started coming in. In April 2001, the Montgomery sale of the theater was satisfied, and the appropriate paperwork was given to Randolph Jones of the South Hill Community Development Association by the South Hill Colonial Theatre Committee. The Colonial Theater is the pride of downtown South Hill. Ms. Jacquelin asked for transparency in the financial sector of the theater to have assurances of its survival in the future. She asked Council to

continue to budget to help restore the faith and trust in this organization for the citizens of South Hill.

17. Karen Terry shared she first came to the Colonial to display her artwork in the gallery. Doug Wright took her on a tour and she wanted to become a part of the theater. Ms. Terry worked the front office, taught workshops, and booked artists for the gallery. She shared that a lady informed her this theater is a “bright shining star” in this community. Children who would never otherwise get the opportunity to see a live production get to see and participate in the shows. “I can’t’s” are turned into “Look what I’ve done” in workshops. The employees wear many hats to make the inside work for the outside.
18. Shalita Bateman, from the Chesapeake area, spoke up on behalf of her son who attended the two-week workshop and shined on the stage. Ms. Bateman reported she cried as her “quiet” son sung songs and danced on the stage. He has been involved in the L.Y.N.X. Drama Club and almost every single program at the theater because he has found a place where he belongs. Doug Wright has been a shining light for these kids who need the positivity the Colonial offers.
19. Before moving here from Pennsylvania, Perry Templin (296 Betty Lane) continued visiting South Hill for three main reasons, 1) the hospitality received as they walked down the streets, 2) the Affairs on the Square, and 3) the Colonial Theatre. After attending a performance at the Colonial, Mr. Templin informed his wife a New York City full Broadway musical wouldn’t have offered more. He asked Council not to let “the jewel shining in South Hill” go.
20. Steve High reported he has been a South Hill resident for 24 years. Mr. High mentioned he has enjoyed the Colonial’s shows and is not opposed to the theater, but as prior speakers have stated “it’s business”, and “you need to fix it”. Mr. High stated that in a meeting at the fire department a couple of weeks ago, the Town Manager commented, “There’s black, there’s white, there’s grey; you can’t operate in the grey”. Mr. High stated it was made apparent from the newspaper article about the Budget Meeting that the Colonial is not going to provide financial statements. He asked if there are any other organizations of which the Town provides funds for anything that is not for services or for profit that financial statements are not provided. Even with the 2020 façade improvement program, copies of the documentation were provided. He rebutted Earl Horne’s grant comments. Through the COVID process, Mr. High stated if Mr. Horne had applied for the PPP loan, if it was \$113,400 in salaries, \$23,625 was left effectively on the table by him. PPP Round Two, you had to show that one quarter you had a reduced income of 25% over the previous year, that’s another \$23,655 of money from the SBA left on the table. Mr. High commented other loans and grants are out there that the available staff could have reached out and requested funding. He mentioned the Shuttered Venue Operators Grant would offer 45% of the 2019 gross revenues. If this organization is getting its 501(c)(3), five years of financial statements are required. His understanding when speaking with Councilman Graham is that it will hopefully be in place by the end of 2022. Mr. High stated, “As an umpire, you see balls and strikes, but you’ve gotta see the pitch first to be able to call that ball a strike.” “As an educator, you’ve got to let the child take the test first before you can grade the exam.” He shared the only reason he was addressing Council is to why the financial statements are not being shared now.

21. Robert Smith commented he has heard the word “discord” mentioned tonight. Mr. Smith reported he has seen a lot of people working together in the last couple of years. He mentioned discord is not the right word; the right wording is “ask questions”. There is nothing wrong with asking questions and we shouldn’t finger point and throw stuff up against the wall. No one in here has said, “Shut down the Colonial.” Mr. Smith mentioned that as the Town funds the CDA, it is up to the CDA to fund the Colonial.

Mr. Smith reported The Shops of South Hill (Shops) put in a funding request. He shared they have the Hometown Heroes going on where good stories are shared of what people went through with the pandemic. When they are done, the best story will be presented. The Shops also had 250 people visit local businesses in participation of the Crossword Promotion. The Shops wants to help market our community. He thanked Council for doing all they could during the pandemic to help businesses survive. He mentioned that the utility relief helped the residents, and the Mecklenburg County Gift Card Match Program helped the businesses. He went on to say we have got to move forward.

22. Jeremy Lynch wanted it to be on record he believes in the Colonial Theatre and what it stands for, and he appreciates all involved with the Colonial; however, transparency is expected on how the LLCs were organized and funding. He stated we all want to move forward toward the future for our Town and community.

There were no other speakers who wished to speak about the budget.

Kim Callis closed the Public Hearing. Mr. Callis shared he learned late Friday there will hopefully be a reduction in our health insurance premium. He shared that normally at this time we would entertain a motion to place the proposed budget for FY21-22 on the agenda for adoption and appropriation at the regularly scheduled Town Council meeting to be held on June 14, 2021. We can meet with the Budget and Finance Committee between now and then as well if needed. Councilman Moody asked if Council has any desire to change the budget and if another Public Hearing has to be held. Mr. Callis answered another Public Hearing is not needed if the budget is not going to be increased; however, any proposed changes would need to be discussed at the June meeting. After listening to the taxpayers, Councilman Honeycutt asked that the Budget and Finance Committee revisit the budget and report back to the Council. Councilman Ben Taylor commented the Committee can come up with a date prior to the next meeting. In answer to a question from Councilman Moss as to what is the last day we have to approve the budget, Mr. Callis stated the money has to be appropriated before July 1 or we have to close down.

A motion was made by Councilman Moody, second by Councilman Ben Taylor, to place the proposed budget for FY21-22 on the agenda for adoption and appropriation at the regularly scheduled Town Council meeting to be held on June 14, 2021 at 7:00 p.m. at the South Hill Town Hall. A roll-call vote was requested and voiced as follows:

Councilwoman Lillie Feggins-Boone-Aye	Councilman Alex Graham-Aye
Councilman Gavin Honeycutt-No	Councilwoman Delores Luster-Aye
Councilman Mike Moody-Aye	Councilman Shep Moss-No
Councilman Ben Taylor-Aye	Councilman Joseph Taylor-Aye.

Tony Hayes had a question before roll call and as the Public Hearing was closed, he was asked to wait until after the vote. Mr. Hayes mentioned he loves the Colonial, but he cannot believe Council would vote on something if they won't give us financials.

7. CITIZENS TO ADDRESS COUNCIL (Comments are limited to three minutes.)

A. Vernon Oakley, Jr. – Behavior of Town Entities

After commenting this is the first meeting, he went to that outlasted both of his hearing aids, Vernon Oakley, Jr. informed Council his family moved to South Hill in 1948. Mr. Oakley stated when he reads the newspaper and sees entities of the Town bringing their squabbles before the Town, his first thought is his grandchildren, "He did it too" or "No, you did it first". That is not the way you do business. That is not the way the Fire Department, Council, or any other Town entity should do business. You discuss your matters there and you have the appropriate person come to the appropriate person and present your concerns, and you work it out from there. You don't do this in an open forum. Mr. Oakley shared he has been very disappointed and has struggled not to be angry. He commented that we all walk on the shoulder of those who came before us. He stated the Town Manager is one of the best town managers we've ever had, so do what you've got to do to keep him. If there is a question about the Colonial being funded, address it because we really need it. He ended by saying, "Let's grow up, be men, and be adults."

8. TOWN MANAGER REPORT

A. Colonial Center Conversion to Non-Profit

Kim Callis reported that at the direction of Council, staff is working with several people to transition the Colonial Center LLC to a non-profit organization. Dan Gecker, the attorney experienced in these matters who worked with former Mayor Earl Horne on forming the Colonial Center LLC, is working with the McGuire Woods law firm to dissolve the LLC and form a Colonial Center non-profit organization. Robin Jones and Kim Jackson of Creedle, Jones & Associates are also involved. Mr. Callis stated the Council funds the CDA. The CDA owns the Colonial Center building.

As part of this transition, the South Hill Community Development Association (CDA) must do two primary things:

- (1) adopt a motion to forgive the remaining balance of a Secured Credit Line Note on the CDA's balance sheet. The note represents some of the costs of renovating the Colonial Center. No money was loaned by the CDA to the Colonial. The motion will generally be *"As part of the steps involved in dissolving the Colonial Center LLC and forming a Non-Profit organization to continue the Colonial Center's mission to provide a venue and opportunities for people of all ages and backgrounds to experience and participate in a variety of arts and entertainment activities, and as neither the Town of South Hill nor the South Hill CDA have any outstanding debt related to the Colonial Center LLC, I move to forgive the remaining balance of the Secured Credit Line Note as Amended and dated September 30, 2008 between the South Hill Community Development Authority (Noteholder) and the Colonial Center of South Hill LLC (Maker)."*
- (2) enter a long-term lease agreement with the Colonial Center for the continued use of the facility.

The CDA owns several other buildings including the Lake Country Advanced Knowledge Center (leased to the community college) and the Makers Market. No formal action is required by Council for the non-profit formation. However, so that the CDA clearly understands Council's wishes and intentions, a motion was suggested.

Councilman Moody asked if the Colonial already has a 40-year lease and should the Town dictate to the CDA to whom they should lease that building. Mr. Callis commented it is a 40-year lease between the LLC and the CDA. There may be some legal language that can be woven into it to extend the lease, but for that to happen, the Colonial Center needs a lease. Councilman Ben Taylor stated it would be between the nonprofit and the CDA. Councilman Moss commented that is true but it would be a CDA decision, not a Council decision; however, the CDA is funded by the Town so why would we encourage the CDA to enter a long-term lease and shackle the future Councils with what they can do with the Colonial. Councilman Moss asked why we would not do a 24-month lease with an option to renew and that way, future Councils can address issues as they come up. Councilman Moody agreed with Councilman Moss as it looks like we are trying to set it up so far down the line. Councilman Joseph Taylor stated there is no 40-year language. We are not obligating the CDA to anything. We are suggesting language they can tailor. Councilman Moody asked if no formal action is required, why don't we let the CDA and the LLC work it out and bring it back to Council. Mr. Callis answered all this is saying is Council supports the transition. He reported he is sharing what was shared with him by legal counsel. The CDA is there to do things this Council desires to do but can't. Mayor Marion asked what the amount is. Mr. Callis commented the note was originally \$4,500,000. It is around \$3,800,000 on the CDA's books and it goes down as it's amortized. Mayor Marion asked what the money was used for. Mr. Callis answered to renovate the theater.

Councilman Moss referred back to an email Mr. Callis sent to the CDA board that says, "While the CDA is an independent organization with its own bylaws, except for nominal rent on a few buildings, the CDA is funded by the Town Council and one of its primary roles is to facilitate community efforts approved and funded by the Council. If the CDA board collectively objects to this role on purpose, then there is a very big problem." When you look into the CDA bylaws, under Board of Directors, it clearly states the business and affairs of the association shall be managed by its Board of Directors, which means it is not mandated by this Council. It also says that no loans shall be contracted on behalf of the association and no evidence of indebtedness shall be issued in its name unless such action shall be authorized by a resolution of the Board of Directors. Such approval and authority shall be confined to specific instances. Councilman Moss also read from under Article 9 of the organization, Section 1 which states said corporation is organized exclusively for charitable, religious, educational, and scientific purposes including for such purposed the making of distributions to organizations under Section 501(C)(3) of the internal revenue code. No part of the net earnings of the corporation shall inure to the benefit of or be distributable to its members, trustees, directors, officers, or other private persons.

Councilman Moss asked with the Colonial not being a 501(C)(3), which has been clearly proven tonight by their own admission, how the CDA is being used to fund a for-profit LLC. It is clearly stated no one wants to see the Colonial closed; however, Councilman Moss feels things are not being done the right way. He said Mr. Callis pushed an agenda through the CDA and told them it is their job to do the wishes of Council, but the bylaws say different. Mr. Callis stood by what he himself said. On the secured line of credit, the title of the document is called a secure credit line note. As he was not so sure money was not loaned because of the wording in the document, Councilman Moss read a few things in the note. He went on to say it started at a \$3,000,000 line of credit, not the \$4,500,000 as Mr. Callis said. With interest thereon at 4½ % per annum until paid, payment in full shall be made no later than five years from date of any sum advanced. If suit is brought to collect this note, the noteholder shall be entitled to all reasonable costs and expenses of suit including but not limited to reasonable attorney fees, partial or complete pre-payment may be made any time without penalty prior to demand by noteholder. If the

undersigned maker ceases to do business whether by discontinuing, selling, or transferring the business, the entire principal sum in accrued interest shall at once become due and payable without notice at the option of the holder of this note. The holder may file a UCC-1 financing statement to evidence such security interest. This note was increased to a maximum of \$4,500,000 on September 30, 2008, so it has not come down, it has gone up. Councilman Moss asked if this only represents the value of the assets; it is written like a promissory note; it discusses a payback plan with interest; it discusses if suit is brought to collect; it discusses that the note would become due in its entirety. Councilman Moss commented if it is just something representing the assets, it would not include this kind of language. Mr. Callis explained those funds Earl Horne talked about from the Town's GO Bond, Tobacco Commission, HUD, Rural Development, or wherever those funds came from, went into renovating the Colonial Theatre. The CDA owns the building but to get tax advantages of depreciation and tax credits, a tax-paying entity has to hold and own those assets. The LLC holds those assets. The CDA doesn't pay taxes; it is nonprofit. Mr. Callis said he doesn't know how many pages are in the internal revenue code; it is not his thing. The attorneys set this up this way. Council at the time took it on faith that it was done the right way. If for some reason the CDA decides to call that note, the Colonial Center as we know will close its doors and every asset over there will become the property of the CDA. In answer to a question from Councilman Moss regarding how long he has been the President of the CDA, Mr. Callis stated he doesn't recall. In answer to a question from Councilman Moss regarding how long he has been on the Board, Mr. Callis stated eight or nine years. In answer to a question from Councilman Moss as to if he was aware of what the CDA bylaws state regarding the 501(c)(3), Mr. Callis answered he never thought about it until the last couple of years because he has always looked at the Colonial Center as a venue that provides a service to this community. It was done through the LLC to save the taxpayers of this Town money because if we had not been able to receive those grants that went to the Colonial, which are payable to private organizations, this Council may have had to authorize borrowing much more. Councilman Moss asked if any of the Council members were aware of what the CDA bylaws state.

Councilman Honeycutt stated he does not want the Colonial Theatre to shut down. He reported he has heard from several entities, all of whom receive money from the CDA or Town and are required to provide financials for the year. The Colonial is the only entity that has not had to prove where the money went. When asked about receiving the P&L statement, the answer was, "Because I don't have to". Councilman Honeycutt said he would not be doing his due diligence if he did not ask pertinent questions when it comes to taxpayers' dollars. Citizens have reached out to him asking him why we are funding for-profit LLCs. He commented this has nothing to do with the shutting down of the Colonial. It is about right and wrong and transparency.

In answer to a question from Councilman Moss regarding familiarity with the Memorandum of Understanding that Mr. Callis required the Chamber of Commerce to participate in, Mr. Callis stated he's familiar with it, but he did not require it. It was the work of an attorney for the CDA, Mr. Butts, and an attorney for the Chamber of Commerce. Councilman Moss read that the Chamber develops and submits a funding request to the CDA for its annual operations, and the CDA submits the Chamber's funding request to the Town of South Hill. The CDA distributes the approved funding request to the Chamber. The Chamber and CDA recognize the funding is derived from taxpayers' funds subject to rebuke by the Town of South Hill. Councilman Moss stated the document was signed by Kim Callis as President. Councilman Moss commented on one hand, Mr. Callis is signing a document to require documentation for funding and on the other hand, he wants to rubber-stamp it through. Councilman Moss went on to say that in some people's eyes Mr. Callis tried to somewhat use a strong arm or intimidation factor to the CDA to approve it. Mr. Callis stated that was not true and he took exception to <Mr. Callis was interrupted and not able to complete his explanation.> Councilman Moss stated the CDA discussed the problems with the funding of a for-profit in their last monthly meeting. He reported they voted unanimously to take the request out of their budget, send it directly to the Town, and if the Town wanted to fund it, let Town Council fund it. He stated Mr. Callis keeps kicking it back to the CDA and has

continued to try to influence them into what decisions they should make. That committee loaded with professional fiduciaries has 100% said they are not comfortable with the funding of a for-profit. It has nothing to do with the Colonial and what it stands for. Mr. Callis commented that is not what Councilman Moss said. It has been all about the Colonial at every meeting. Mr. Callis stated Councilman Moss has asked for a meeting to discuss the budget and has always mentioned the Colonial. Mr. Callis reported we have all repeatedly heard Earl Horne say, "It's private", and it is; it is an LLC. They have an investor and that investor wants it to remain private. The difference between that LLC and Honeycutt, LLC for example is with a traditional retail LLC, at the end of the year when there is a profit, the owners of that LLC can do whatever they want to with those dollars. The Colonial LLC has a Board of Directors who don't get paid a dime. You have heard what the Colonial does for this community. Are the business LLCs good for this community? Absolutely they are, but they don't individually have the far-reaching effect of the Colonial Center. They do things for free.

Councilman Moss mentioned what would clear all of this up very easily is to have them present us with their canceled checks. Their bank statement accounting would show what went in, what went out, and who it went to. We don't need the tax returns for that, and a profit and loss statement is not going to give us the answers that a lot of citizens are asking for. Mr. Callis commented once it gets transitioned to a nonprofit, all that information will be there. Not knowing who they are funding or who is going to be in the LLC, Councilman Moss asked wouldn't it be smart to let the transition happen and let them come back to us. Mr. Callis stated it is a valid question but the attorneys trying to form this nonprofit organization have said the CDA needs to forgive the credit line note for the nonprofit to be formed. Councilman Moss asked if Mr. Callis let Council know he tried to encourage the CDA Board to give them the building as part of the unwinding. Mr. Callis stated he said that had come up. In answer to a question from Councilman Moss, Mr. Callis stated he did not inform Council and he did not encourage anything; he mentioned that was an "option". When questioned by Councilman Moss, Mayor Marion commented that at the meeting he heard it as an option.

A motion was made by Councilman Moss, second by Councilman Honeycutt, to table this agenda item until the LLC is unwound; they come back with a business plan; we know exactly whom we are doing business with; and we let the CDA work out the lease, rent, and terms. At this point, Councilman Moss said Council needs to step away and let these things play out. He mentioned there are entirely too many unknown factors of what we are getting into. <No vote was taken at that time as discussion continued.>

Councilman Moody asked if it would not be proper for Council not to do anything at this point but let the CDA and the Colonial LLC work it out and then the CDA Board can bring it back to the Town Council. Mr. Callis mentioned it was placed on the agenda because of all the things we've heard tonight when people have said, "fix it". To fix it, to satisfy all these questions, a nonprofit has to be formed. Mr. Callis reported he has been told the documents will be ready later this week, so they can be sent to the CDA Board. The attorneys who do this said this is what we needed to do. If Council wants to see that happen, all this motion says is we endorse and support efforts to make that happen; that is all it is.

Councilman Ben Taylor stated the CDA was set up in the mid-60s. Members are not appointed by Council; representatives are appointed. Councilman Ben Taylor stated he has never understood it because, very similar to the IDA, we don't have the Mayor or Town Manager on it, of which Councilman Ben Taylor doesn't think either should be. The CDA needs to be an independent group. The IDA is appointed by Council. These are businessmen who make decisions with legal counsel (currently Warren Matthews) and they have been doing it forever. Councilman Ben Taylor has always questioned why the CDA has two members from Chamber and a member from here and a member from there. Council members are the ones who dispense the money to the CDA, same thing with the IDA. Mr.

Callis said he could only answer with some speculation. He stated there was a time when the Chamber of Commerce could not survive on its own. That is when Randolph Jones, Earl Horne, and Sherwood Creedle said the CDA needed to take on the role in running the Chamber. The role of the CDA has probably changed over time from what it was originally. When all of this is behind us, Councilman Ben Taylor mentioned he would like to take a look at the CDA structure and make it more independent from the Council, Mayor, and Town Manager. He mentioned we should let them have the same focus with legal counsel when they meet.

Councilman Moody shared he is still having difficulty with the motion. He supports the Colonial Center LLC and the CDA getting together to work out a new lease. He is just not sure the Council needs to approve a motion for them to do so. Mr. Callis stated Council is the one who funds the CDA. Councilman Moody commented that will come back to us whenever they approve or disapprove of whatever they are doing with the LLC. Mr. Callis mentioned it is only a suggestion to move forward. In answer to a question from Councilman Moody regarding if it can continue to move forward without a motion, Mr. Callis commented it can but he thinks the Council's voice saying they want to move this forward lends some strength.

Councilman Honeycutt again mentioned all of the other entities that have to provide financial information to receive funding. If they would show us where the money went, Councilman Honeycutt commented he doesn't think anyone on Council would have a problem funding the Colonial Theatre. Mr. Callis commented the only thing he can reply is that it is a private LLC and the investor wants it to stay that way.

Councilman Moss commented there are a few things in the lease provided by Mr. Callis that he is not sure Council members are aware of. It is for a 40-year term which started back in 2009 for \$100/year. It says payment of percentage rent is to be accompanied by a certificate executed by an authorized officer or tenant certifying the gross receipts for the calendar year. Upon receipt of the percentage rent and certificate, the landlord may request such supporting documentation as it determines is reasonable under the circumstances and landlord's sole discretion to verify the amount of tenant's gross receipts. Failure to provide supporting documentation within one month is a default. Councilman Moss mentioned he doesn't know if that has ever been required or requested. It says the landlord has no obligation of any sort to make any repairs to the property or maintain the property. Councilman Moss mentioned he knows we have done that through the CDA through the years. It says tenant shall not remove furniture, fixtures, and property from the leased premises without first obtaining the consent of landlord. Councilman Moss asked could the piano be considered under that. Councilman Honeycutt agreed that is in the CDA lease. He requested minutes showing where the CDA approved the sale of that piano and they have no record that Earl Horne ever brought it to them. They were to approve anything sold out of that building. Councilman Moss commented the lease also says failure of tenant to perform any of the terms, conditions, or covenants of the lease agreement including but not limited to not paying percentage rent, not providing documentation to the landlord on percentage rent when requested and failing to maintain the lease premise; they would be in default. Councilman Moss encouraged Council to get a copy of the lease. He stated it is not about funding the Colonial. It is about setting this up properly to protect our taxpayers' dollars, to make sure it can be successful for many years to come, and to be transparent. It is hard to be anonymous when you are doing it with taxpayers' dollars. Councilman Moss stated the line of credit needs to be looked into, and a complete independent audit is needed along with an investigation of what is going on. Councilman Moss commented his CDA motion was misstated and he has requested a correction. He asked that the motion be restated. "A motion was made by Councilman Moss, second by Councilman Honeycutt, to table this agenda item until the LLC is unwound; they come back with a business plan; we know exactly whom we are doing business with; and we let the CDA work out the lease, rent, and terms." Councilman Moss said basically what he is saying is that Council not take

any action on this agenda presented by the Town Manager; it did not magically appear. **A motion was made by Councilman Moss, second by Councilman Honeycutt**, to table this item until further notice when more information can be provided to the CDA and Council. A **roll-call vote** was requested and voiced as follows:

Councilwoman Lillie Feggins-Boone-Aye	Councilman Alex Graham-Aye
Councilman Gavin Honeycutt-Aye	Councilwoman Delores Luster-Aye
Councilman Mike Moody-Aye	Councilman Shep Moss-Aye
Councilman Ben Taylor-No	Councilman Joseph Taylor-No.

9. FINANCE REPORT

A. Appropriation of Funds from the Virginia Department of Criminal Justice Services (DCJS) for Storage of Body Worn Camera Video

Sheila Cutrell reported the Town has been awarded a Body Worn Camera Program grant from DCJS in the amount of \$2,500.00. The Town will receive \$1,250.00 in grant funds and must provide an equal local match. We will utilize funds in our current budget to provide the match. These funds will be used to cover the cost of storage of Body Worn Camera video. Ms. Cutrell asked that Council appropriate the grant funds for this purpose.

A motion was made by Councilman Honeycutt, second by Councilwoman Luster, to appropriate \$1,250.00 in grant funds from the Virginia Department of Criminal Justice Services to be used for the storage of Body Worn Camera video. Motion carried unanimously.

B. Appropriation of Funds from DCJS for SHPD

Ms. Cutrell reported the Town has received additional funds from DCJS in the amount of \$13,448.00 for the purposes of attracting and retaining the most qualified local police department sworn personnel and supporting the costs associated with criminal justice reform. Ms. Cutrell asked that Council appropriate these funds for this purpose.

A motion was made by Councilwoman Luster, second by Councilman Honeycutt, to appropriate \$13,448.00 received from the Virginia Department of Criminal Justice Services for the purposes of attracting and retaining the most qualified local police department sworn personnel and supporting the costs associated with criminal justice reform. Motion carried unanimously.

C. Appropriation of Funds from the Virginia Department of Fire Programs (VDFP) for the South Hill Volunteer Fire Department (SHVFD)

Ms. Cutrell reported the Town annually receives Aid to Localities funds from VDFP for use by the SHVFD. This year, we received \$1,627.00 more than was included in the FY21 General Fund Budget. Ms. Cutrell asked that Council appropriate these additional funds for use by the SHVFD.

A motion was made by Councilwoman Feggins-Boone, second by Councilman Honeycutt, to appropriate \$1,627.00 in additional Aid to Localities funds received from the Virginia Department of Fire Programs to be utilized by the South Hill Volunteer Fire Department. Motion carried unanimously.

10. REPORTS TO APPROVE AS PRESENTED

For efficiency, the following reports were grouped to approve as presented.

A. Town Manager Report

i. Facilities Reservation Calendar

Kim Callis submitted the calendar of activities and reservations at Centennial Park, Parker Park, the South Hill Exchange, and other Town facilities. The calendar changes frequently as new reservations are made.

ii. Northeast Sewer Project

Mr. Callis reported staff is working with B&B Consultants to prepare the Request for Bids for the Northeast Sewer Project. B&B has been informed by suppliers that PVC pipe 10” and larger is not currently available due to a shortage of resin required to make the pipe. The resin is produced in China. The sewer line is a 16” line. B&B staff has personally talked to Core-and-Main and Fortiline, the two main pipe suppliers in Virginia, and both confirmed the shortage. They hope that 16” PVC will be manufactured again in about eight weeks, but that is not certain.

B&B sees no issues with using ductile iron pipe (DIP) for the gravity line other than the minor increase in pump capacity that is needed; however, DIP is not recommended for the force main.

As Microsoft plans to be actively working at the Hillcrest Industrial Park in 2022, we need to begin construction of the sewer line this summer. We will work with B&B to develop the bid request such that work on the pump stations and gravity sewer can begin soon, with the force main work to follow when 16” PVC pipe is available. We plan to receive bids in early June, with the contract to be awarded at the June 14 Council meeting.

iii. American Rescue Plan Act Funds

Mr. Callis informed Council staff is continuing to monitor developments related to the American Rescue Plan Act (ARPA). As of now, the estimated funding to South Hill is just over \$3.9 million. According to recent information from the Virginia Municipal League (VML), the National League of Cities (NLC), and various other sources, the ARPA consists of numerous funds, all of which are allocated to various entities for different purposes. The two largest funds within ARPA are the Coronavirus State Fiscal Recovery Fund (SFRF) and the Coronavirus Local Fiscal Recovery Fund (LFRF). Towns will receive funds from the LFRF.

The U.S. Department of Treasury is responsible for distributing grants from both the SFRF and the LFRF. The Treasury Department is currently developing methods and guidance for this allocation process. Localities will receive LFRF grants in two payments. The first payment is expected to be delivered by May 11, 2021, and the second payment will be paid by March 11, 2022. These grants are “formula grants,” meaning every locality is entitled to receive a calculated share of approximately \$130 billion in the fund. These are not competitive grants and local governments will not have to submit an application or certification in advance to receive the money. Each locality will receive a predetermined amount that has been calculated using the formula. Other than ensuring the Town has a DUNS number and other general administrative steps, localities simply need to wait for the first payment to arrive.

The ARPA stipulates that localities may only use their grants from the LFRF for specific costs, and these costs must be incurred by December 31, 2024. There are four types of LFRF qualified costs: (1) responding to the COVID-19 pandemic; (2) providing pay to essential workers or grants to employers of essential workers; (3) providing government services to the extent of any revenue reduction resulting from the pandemic; and (4) making necessary investments in water, sewer, and broadband infrastructure.

As more information becomes available, Town staff will prepare a recommendation for using the funds effectively.

B. Finance Report

Sheila Cutrell submitted the financial report for month ended April 30, 2021 as follows:

General Fund	-	\$10,556,049.67	Total Investment Accounts	-	\$15,419,091.45
Water and Sewer Fund	-	1,165,357.44	Total Police Dept. Savings	-	\$ 27,644.49
Cemetery Fund	-	12,670.45	Total Taxes Due Thru 04/30/21	-	\$ 275,450.31
2nd & 3rd Street Project Fund	-	<u>(460.89)</u>	(Real Estate and Personal Property, all years)		
Total in Checking	-	\$11,733,616.67			

C. Police Report

Chief Stuart Bowen submitted the police report for April. Chief Bowen informed Council there were 222 activity incidents, 42 reportable criminal offenses, 1,057 calls for service, and \$133,685 property recovered in April. Other miscellaneous included 8 court overtime hours, 48 training hours, 23 warrants issued, and 7 inoperative vehicles tagged.

He included the following administrative news:

- § Lieutenant Ryan Durham completed 40 hours “FBI National Academy Associates First Line Supervisor School” in February.
- § The following Officers instructed various training courses during the month at the training academy:
 - Sergeant Chris Parrott – Defensive Driving
 - Corporal C.B. Fleming and Auxiliary Officer Ethan Atkinson – Defensive Tactics
 - Corporal Tony Solomon – Taser Certification and Defensive Tactics
- § Corporal Tony Solomon completed eight hours Taser Instructor Recertification in Tarboro, North Carolina.

D. Municipal Services Report

C.J. Dean submitted the municipal services report for April 2021 as follows:

- § The scheduled repaving of streets will occur during May. The following streets are scheduled to be paved:
 - High Street, from Lunenburg Avenue to Thomas Street
 - Chaptico Road, from Mecklenburg Avenue to just past Raleigh Avenue
 - West Danville Street, from Mecklenburg Avenue to Locust Street
- § The crews continue to patch where water and sewer repairs have been made as the asphalt becomes available.

- § Waterline replacement on Chaptico Road has been completed. A new six-inch line was extended from Mecklenburg to Brunswick replacing an old two-inch line. This was completed prior to the paving that is to take place this month.
- § Park crews continue to cut grass in the two cemeteries and Centennial Park while getting the fields ready for softball and baseball.
- § The facilities crew is working with a local electrician to have the electric system at the amphitheater reinstalled before the first Concert in the Park in May.
- § The Town is seeking bids for the work on the rear steps to the Town Hall. Bids are due on May 12.

E. Code Compliance Report

i. Monthly Report

David Hash submitted the report of activity for April 2021 as follows:

Inspections Completed	-	28
Permits Issued	-	47
Fees Collected	-	\$ 4,390.25
UEZ Exemption	-	\$ 0
Rehab Exemption	-	\$ 0
General Exemption	-	\$ 78.12
Work Value	-	\$ 617,419.00

New businesses for April included:

- § Tabitha Gaulding Photography, 123 N. Mecklenburg Avenue (Photography)
- § Rascal & Sunshine Gifts & Thrifts, 935 W. Atlantic Street (Flea Market Vendor)
- § Orlando's Lawn Service, 256 Circle Drive (Lawn Care Service)

ii. Dilapidated Properties

David Hash and Jamie Velvin submitted a report on the status of the following 45 dilapidated properties:

1. 211 E. Atlantic Street
2. 400 Goodes Ferry Road
3. 402 Goodes Ferry Road
4. 315 W. Danville Street
5. 212 N. Mecklenburg Avenue
6. 201 E. Atlantic Street
7. 211 Bryan Street
8. 1179 Country Lane
9. 208 Pennington Street
10. 112 E. Atlantic Street
11. 403 N. Mecklenburg Avenue
12. 419 E. Atlantic Street
13. 456 Old Hwy. 58
14. 506 Moseley Lane
15. 617 W. Danville Street
16. 1214 Plank Road
17. 112 Raleigh Avenue

18. 114C N. Clay Street
19. Corner of Circle Drive and Ogburn Street
20. 202 Windsor Street
21. 901 Goodes Ferry Road
22. 1143 W. Danville Street
23. 113 E. Pine Lane
24. 115 E. Pine Lane
25. 119 E. Pine Lane
26. 1287 W. Danville Street
27. 416 Fairview Avenue
28. 704 Robertson Street
29. 705 Robertson Street
30. 703 Robertson Street
31. 706 Robertson Street
32. 103 W. Third Street
33. 101 W. Third Street
34. 101 E. Third Street
35. 103 E. Third Street
36. 110 E. Third Street
37. 109 E. Third Street
38. 706 Brooke Avenue
39. 704 Brooke Avenue
40. 702 Brooke Avenue
41. 108 and 110 E. Second Street
42. 106 E. Second Street
43. 117 Clay Street
44. 101 W. Second Street
45. 212 Windsor Street

A list of completed dilapidated properties since 2016 was also shared.

iii. Code Inspector Activity Report

follows: Jamie Velvin submitted the Code Inspector Activity Report for April 2021 as

- § Spoke with Linnie Snead regarding property being sold at 112 Raleigh Street
- § Met with Sam Allen regarding expenditures made in the Second and Third Street project area
- § Spoke with realtor regarding maintenance issues at 617 W. Danville Street
- § Spoke with Assistant Commonwealth Attorney regarding upcoming dates for a pending court case
- § Compiled an itemized list of expenditures made by property owner in the Second and Third Street project area
- § Spoke with S. Helms regarding approaching deadline at 403 N. Mecklenburg Avenue
- § Handled trash and grass complaint on Northington Street
- § Handled trash container use complaint on North Lunenburg Avenue
- § Spoke with the managers of Aarons, Subway, and Americas Express Inn about trash complaint on Northington Street
- § Contacted Bill Robbins several times regarding trying to set a meeting at 112 E. Atlantic Street

- § Spoke with D.S. Vaughan regarding demolition bid for 112 E. Atlantic Street
- § Spoke with owner of Mecklenburg Shopping Center regarding trash and grass complaint
- § Checked demolition site at 1179 Country Lane with contractor
- § Checked demolition site at 114 C Clay Street with owner
- § Met with manager at Mecklenburg Manor in reference to trash complaint and inoperable vehicles
- § Checked grass complaint 124 Walker Street
- § Spoke with resident at 702 Lombardy Street about trash complaint
- § Spoke with complainant about grass issue at 210 and 212 Dortch Lane
- § Met with owner at demolition site at 1179 Country Lane
- § Received grass complaints for 302 West High Street and 511 Brooke Avenue
- § Met with contractor at 211 Bryan Street
- § Spoke with the managers of both businesses regarding dumpster use complaint behind Roses and Roma Pizza
- § Spoke with Tommy Stanley to set timeline for outbuilding repairs or removal at 419 E. Atlantic Street
- § Monitored all Item-B properties for progress; removed four from list; added three
- § Sent out four Correction Notices; one Correction Notice posted to door
- § Sent out one Violation Notice
- § Sent out one project completion letter
- § Sent out four notices to cut grass
- § Code Compliance Office towed two inoperable vehicles
- § Removed six off-premise signs

F. Business Development Report

Brent Morris submitted the business development report for April 2021 as follows:

- § Continuing the push of recruiting businesses in the downtown and the former Gordmans location
- § Continued working with the Southside Planning District Commission and the appointed committee on the review of Mecklenburg County Small Business Recovery Assistance applications and approvals. To date 37 businesses have been approved, a total of \$243,604.88, and our pipeline remains healthy.
- § Continued ongoing meetings with the Department of Housing and Community Development on the RCDI program for South Hill
- § The permits for the new LOVE sign at the Chamber office have been obtained, and we are waiting on the contractor to install it.
- § Mr. Morris and the Chamber Executive Director met with the owner of Pomp Boys Motors at their Roanoke Rapids facility to discuss the future of the South Hill facility and how they can become supporting members of the South Hill community.
- § Continuing efforts with investors to fulfill the housing need in the community

G. Human Resources Report

Carol Hutchinson submitted the following administrative news for April 2021:

- § The Annual Performance Evaluation Process began March 17, 2021 and concluded April 16, 2021.
- § The request for the annual proposal for insurance evaluation was completed in April 2021. We are awaiting bid results and will be finalizing insurance by May 14, 2021.

§ There is one open position in Parks & Grounds for a Maintenance Operator I.

A motion was made by Councilman Honeycutt, second by Councilwoman Luster, to approve the Reports to Approve as Presented. Motion carried unanimously.

11. COMMITTEE REPORTS

A. Fire Department Committee

Councilwoman Feggins-Boone reported the Fire Department Committee met with the South Hill Volunteer Fire Department, the attorneys, and representatives of the two newspapers on April 14 to discuss concerns. No action was taken. Councilwoman Feggins-Boone asked Kim Callis to report on the follow-up meeting.

Mr. Callis reported a follow-up meeting was held on April 30. It was a productive meeting. The two attorneys there were going to talk more and come back to us with some dates to meet again for recommendations. They did not indicate when.

12. OLD BUSINESS

There was no old business.

13. NEW BUSINESS

There was no new business.

14. CLOSED SESSION

Personnel – § 2.2-3711(A)(1) and Legal – § 2.2-3711(A)(7)

Pursuant to Personnel – § 2.2-3711(A)(1) and Legal – § 2.2-3711(A)(7) of the Code of Virginia and on motion of Councilwoman Feggins-Boone, and second of Councilwoman Luster, the South Hill Town Council entered into Closed Session to discuss a Personnel matter involving Fire Department Employment and a Legal matter involving a Real Estate Tax Sale. Motion carried unanimously.

There was no action taken while in Closed Session on the Personnel or Legal matters.

WHEREAS, the South Hill Town Council has convened a Closed Session on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS, Sections 2.2-3711(A)(1) and 2.2-3711(A)(7) of the Code of Virginia require a certification by this Council that such Closed Session was conducted in conformity with Virginia Law;

NOW THEREFORE, BE IT RESOLVED that the South Hill Town Council hereby certifies that to the best of each member's knowledge, (1) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the Closed Session to which certification resolution applies, and (2) only such business matters as were identified in the motion convening the Closed Session were heard, discussed, or considered by the Council. A motion was made by Councilwoman Feggins-Boone, second by Councilman Joseph Taylor, to approve Resolution 351, dated May 10, 2021 and return to Open Session. A roll-call vote was requested and voiced as follows:

Councilwoman Lillie Feggins-Boone-Aye
Councilman Gavin Honeycutt-Aye
Councilman Mike Moody-Aye
Councilman Ben Taylor-Aye

Councilman Alex Graham-Aye
Councilwoman Delores Luster-Aye
Councilman Shep Moss-Aye
Councilman Joseph Taylor-Aye.

15. OPEN SESSION

There was no action taken in Open Session on the Personnel or Legal matters.

Councilman Honeycutt commented a lot has been said tonight. He mentioned he thinks people thought when coming to his Council seat that he would not ask questions that need to be asked because that has happened for many years. He reminded citizens another election is coming up in November 2022. In order to make some real changes, he implored voters to think really hard when they go to the ballot box. He went on to say he wants nothing but transparency for this Town and for things to be factual and true.

Councilman Moss encouraged Council to invite Missy York back down at the June meeting to discuss other options for the Town's grievance procedure. Councilman Joseph Taylor asked if that was offered in the form of a motion. He also asked was Council moving that she reappear, or was Council permitting the Town Manager to make that decision. Councilman Joseph Taylor stated he doesn't think it is appropriate procedurally. Councilman Moss asked how the Town Manager can make policy when Council is elected to do that. Councilman Joseph Taylor answered this is not a Council-managed Town; it is a Manager-managed Town; Council chooses the Town Manager. Councilman Moss commented that according to our Charter, the Town Manager answers to Council. Councilman Joseph Taylor presented to Mayor Marion that Councilman Moss has requested either in a formal motion or an informal statement to direct that the Town's counsel in part appear to speak with Council. Councilman Moss made a motion to have Missy York come back and review the Town's grievance policy and explain the other available options. No second was offered. Councilman Honeycutt asked if Council has ever asked for the attorney to come before when it wasn't in the form of a motion. Kim Callis stated that when there were a number of questions on the employee handbook, Ms. York was invited to attend. She spoke in Conference Room B.

16. ADJOURNMENT

There being no further business matters before the South Hill Town Council, Mayor Marion adjourned the meeting at 11:55 p.m.

VALIDATION

Minutes approved this _____ day of _____, 20_____.

Anna B. Cratch, Town Clerk

Dean Marion, Mayor



Incorporated 1901
Police Department

**PROCLAMATION
MAY 9-15, 2021 AS POLICE WEEK**

WHEREAS, there are approximately 900,000 law enforcement officers serving in communities across the United States, including the dedicated members of the South Hill Police Department; and

WHEREAS, nearly 59,000 assaults against law enforcement officers are reported each year, resulting in approximately 16,677 injuries; and

WHEREAS, since the first recorded death in 1791, over 22,000 law enforcement officers in the United States have made the ultimate sacrifice and been killed in the line of duty; and

WHEREAS, the names of these dedicated public servants are engraved on the walls of the National Law Enforcement Officers Memorial in Washington, D.C.; and

WHEREAS, 394 names of fallen heroes are being added to the National Law Enforcement Officers Memorial this spring, including 295 officers killed in 2020 and 99 killed in previous years; and

WHEREAS, In 1962, President John F. Kennedy signed a proclamation which designated May 15 as Peace Officers Memorial Day and the week in which that date falls as Police Week;

NOW, THEREFORE, BE IT PROCLAIMED, that Dean Marion, Mayor of the Town of South Hill, hereby designates May 9-15, 2021, as Police Week in the Town of South Hill, Virginia, and publicly salutes the service of law enforcement officers in our community and in communities across the nation.

SIGNED this 10th day of May 2021, South Hill, Virginia.

BY: Dean Marion
Dean Marion, Mayor

ATTEST: Anna B. Cratch
Anna B. Cratch, Town Clerk



**SOUTH HILL TOWN COUNCIL
REGULAR MEETING AGENDA
MONDAY, MAY 10, 2021, 7 PM**

(Council Chambers, Town Hall, 211 S. Mecklenburg Avenue)

Please silence all cell phones while Council is in session.

1. Call to Order
2. Invocation
3. Roll Call
4. Approval of Minutes – April 9 and 12, 2021
5. Proclamation for May 9 – 15, 2021 as Police Week
6. Public Hearings
 - A. David Hash – RE 2021-2, Request by David Williams to Rezone
 - property at 1251 W. Danville Street from C-2 to MX-3, and
 - property behind 1251 W. Danville Street from R1-40 to R2-16
 - B. David Hash – RE 2021-3, Request by CMH to Rezone 500 N. Thomas Street from O-M to R1-15
 - C. David Hash – SE 2021-2, Request by Timothy Pulliam to Utilize 227 West Virginia Street for storage of fully-equipped motor vehicles temporarily while awaiting repairs or sale by dealer
 - D. Kim Callis – Proposed FY21-22 Budget and Rates
7. Citizens to Address Council (Comments are limited to three minutes.)
8. Town Manager Report
 - A. Colonial Center Conversion to Non-Profit
9. Finance Report
 - A. Appropriation of Funds from DCJS for Storage of Body Worn Camera Video
 - B. Appropriation of Funds from DCJS for SHPD
 - C. Appropriation of Funds from VDFP for SHVFD
10. Reports to Approve as Presented
 - A. Town Manager Report
 - i. Facilities Reservation Calendar
 - ii. Northeast Sewer Project
 - iii. American Rescue Plan Act Funds
 - B. Finance Report
 - C. Police Report
 - D. Municipal Services Report
 - E. Code Compliance Report
 - i. Monthly Report
 - ii. Dilapidated Properties
 - iii. Code Inspector Activity Report
 - F. Business Development Report
 - G. Human Resources Report
11. Committee Reports
12. Old Business
13. New Business
14. Adjournment