



## SOUTH HILL TOWN COUNCIL

### REGULAR MEETING MINUTES

**TUESDAY, OCTOBER 12, 2021, 7:00 P.M.**

The regular monthly meeting of the South Hill Town Council was held on Tuesday, October 12, 2021 at 7:00 p.m. in the Council Chambers of the South Hill Town Hall located at 211 S. Mecklenburg Avenue, South Hill, Virginia 23970. The meeting was also available 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

Kim Callis, Town Manager  
Sheila Cutrell, Dir. of Finance and Admin.  
Carol Hutchinson, HR Manager

#### 4. APPROVAL OF MINUTES – SEPTEMBER 13, 2021

A motion was made by Councilman Honeycutt, second by Councilwoman Luster, to approve the minutes of the regular meeting held on September 13, 2021 as distributed by Anna Cratch. Motion carried unanimously.

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

##### A. William Gregory – Inoperative Vehicle Ordinance

William Gregory addressed Council regarding concerns about the inoperative vehicle ordinance. He stated he thought a cover was sufficient, but he received a letter from Jamie Velvin with the Town stating inoperative vehicles need to be within a fully enclosed building or structure which shields or

screens them completely from view. Mr. Gregory was given a 30-day extension, but he said it wasn't enough time and his vehicle was towed before he was able to remove his possessions from it. Three of his vehicles have been towed and the fee to get them back is too expensive. Mr. Gregory commented there are cars all over Town that never get towed and he thinks he has been treated unfairly. He stated he has shared his concerns with several Town officials.

## **6. TOWN MANAGER REPORT**

### **A. Halloween Reminders**

Halloween falls on Sunday, October 31, 2021. Kim Callis shared the Chamber of Commerce has scheduled various Halloween activities for Saturday, October 30. Following are the Town's ordinance provisions regarding Halloween:

- Trick or treaters must be age 12 or under.
- Trick or treating ends at 9:00 p.m. local time.
- Masks (obviously, exceptions are being made during pandemic), costumes, and disguises may be worn only:
  - By children age 12 and under prior to 9:00 p.m.
  - By persons engaged in a bona fide theatrical production or masquerade ball
  - For medically necessary reasons
- A curfew is in effect for minors from 10:00 p.m. until 6:00 a.m. the following day except during an emergency or under the direct supervision of a parent, guardian, or other adult having the care and custody of the minor.

Also, Virginia law prohibits persons under age 16 from riding in any trailers and pick-up truck bodies, whether open or covered by camper bodies, shells, etc.

As the COVID situation continues to be prevalent, people are reminded to take sensible precautions when celebrating Halloween:

- Trick or treaters should wear protective gloves and protective masks under Halloween masks.
- Wear protective masks and gloves when answering the door to trick or treaters.
- If you do not wish to receive trick or treaters leave your porch light OFF.
- Trick or treaters should only approach those homes with porch lights ON.
- If you are uncomfortable with your children trick or treating, simply do not allow them to do so.

At the request of Mayor Marion, these reminders will be included in the weekly email broadcast. This item is for Council information only. No action is required.

### **B. Town Attorney**

Mr. Callis reported staff has reviewed and revised the Estes Law & Consulting proposal to provide a range of legal services as Town Attorney, including attendance at regular and special meetings. The attached Terms and Conditions reflect the agreed-upon services and related cost.

Funds for these services have been appropriated as part of the FY21-22 budget. Staff recommends approval of the proposal to be effective October 13, 2021. The proposal is indeterminate and can be terminated at any time.

**A motion was made by Councilman Ben Taylor, second by Councilman Joseph Taylor,** to approve the Estes Law & Consulting proposal to provide legal services to the Town of South Hill. A **roll-call vote** was requested and voiced as follows:

Councilwoman Feggins-Boone-Aye	Councilman Graham-Aye
Councilman Honeycutt-Aye	Councilwoman Luster-Aye
Councilman Moody-Aye	Councilman Moss-Aye
Councilman Ben Taylor-Aye	Councilman Joseph Taylor-Aye.

### **C. Fire Officer Residence Requirements**

Kim Callis informed Council that Section 46-52 of the Code of the Town of South Hill requires that the chief and assistant chief of the volunteer fire department reside within the Town's corporate limits unless an exception is approved by a majority of Council. As part of the analysis of certain employment issues involving the fire department, legal counsel has recommended repeal of this ordinance:

"The Town should repeal the local ordinance requiring the Fire Chief and other officials in SHVFD to reside within the Town's limits. By repealing the statute, the Town would eliminate a provision that could be seen as exercising control over the SHVFD and would further enhance the legal analysis that the SHVFD is a separate legal entity, and not a public agency."

Councilman Moss asked if this should go through the Policy Committee to follow procedure. Mr. Callis commented generally things are sent through that committee when it is a new policy that needs to be evaluated before presentation to Council.

**A motion was made by Councilman Moody, second by Councilwoman Luster,** to hold a Public Hearing to receive comments regarding repeal of the ordinance requiring the volunteer fire chief and assistant to reside within the Town's corporate limits. A **roll-call vote** was requested and voiced as follows:

Councilwoman Feggins-Boone-Aye	Councilman Graham-Aye
Councilman Honeycutt-Aye	Councilwoman Luster-Aye
Councilman Moody-Aye	Councilman Moss-Aye
Councilman Ben Taylor-Aye	Councilman Joseph Taylor-Aye.

### **D. Police Department Renovation Project**

Kim Callis followed up on the discussion at the September Council meeting by stating procurement in the public sector is much more complex than in the private sector. Mr. Callis commented it is not lawful to solicit bids for professional services in the public sector. With respect to the police department renovation project, to comply with Code of Virginia procurement provisions, we are at a point where we must either 1) proceed with Dewberry to design a schematic for renovating the building, or 2) delay the project indefinitely.

Code of Virginia Section 2.2-4303(B) provides that "Professional services shall be procured by competitive negotiation." Section 2.2-4302.2(4) describes the process for competitive negotiation and generally provides that "offerors shall be encouraged to elaborate on their qualifications and performance data or staff expertise pertinent to the proposed project, as well as alternative concepts." It further provides that the "Request for Proposal shall not, however, request the offerors furnish estimates of man-hours or cost for services." Offerors must first be ranked according to qualifications prior to negotiations.

Section 2.2-4303(G) provides that “A public body may establish purchase procedures, if adopted in writing, not requiring competitive sealed bids or competitive negotiation for single or term contracts for (*Sections 1 and 2 language omitted here as not relevant*); however, such small purchase procedures shall provide for competition wherever practicable. Such purchase procedures may allow for single or term contracts for professional services without requiring competitive negotiation, provided the aggregate or the sum of all phases is not expected to exceed \$80,000.” The Town adopted a Small Purchase Policy in March 2021.

In attempting to follow the Code of Virginia and the Town’s Small Purchase Policy, Chief Bowen appropriately reached out to several firms that appeared potentially qualified to develop a schematic for planning purposes. Only Dewberry responded with interest. As such, a fee estimate was requested from Dewberry.

As the fee for professional services submitted by Dewberry is now public, it would be inappropriate and unfair to Dewberry to reopen the process at this time. We can proceed with Dewberry to develop a schematic to be used in discussing the project with Town committees and planning the complete renovation, for which there are several options to obtain competitive pricing. At a time when construction costs are rising, this approach may be the less expensive alternative. Or we can delay the project indefinitely and solicit qualifications later and hope that the trend of escalating construction costs tapers off.

Councilman Honeycutt mentioned that at the last meeting Council requested this be sent back out to see if any more estimates could be obtained. Mr. Callis stated he commented at the last meeting that staff would make sure the appropriate procurement procedures are followed so as not to run afoul of procurement laws. He again stated you cannot request bids for pricing for professional services.

Councilman Moss mentioned that in following our procedures, this request did not go through the Police or Property committees. He went on to say the Town seems to always receive only one bid on projects. He commented he doesn’t know if that is because we are being difficult to get along with or if we’re not paying our bills on time. Councilman Ben Taylor took strong exception to both of Councilman Moss’s comments. Councilman Ben Taylor stated VDOT loves us and moves us up the ladder because we do pay our bills. Councilman Moss later acknowledged he misspoke regarding the Town’s payment of bills. Regarding the one bid comment, Mr. Callis asked Councilman Moss to elaborate mentioning multiple bids were received on the asphalt and sewer line projects. Councilman Moss commented he would provide the information the following day (which he emailed as attached). Mr. Callis mentioned the general process for setting up a committee meeting is when you have information for the committee to consider. This request was to ask for the money to bring information in the form of a schematic to discuss with the committee(s) for moving forward, which is the appropriate procedure.

Councilman Honeycutt mentioned we are in a \$1,000,000 deficit for our sewer project and he would like to see this put off until the next calendar year when it is included in the budget. When questioned by Councilman Moody, both Kim Callis and Sheila Cutrell answered they felt awarding the contract would not put the Town at a financial/economic disadvantage. Councilman Joseph Taylor commented having this schematic completed will enable us to produce a line item to request in the budget process; otherwise, we have no idea how much money to appropriate.

**A motion was made by Councilman Joseph Taylor, second by Councilwoman Feggins-Boone, to award the contract to Dewberry at a cost of \$17,575 to develop a schematic for planning purposes for renovating the Police Department building. A roll-call vote was requested and voiced as follows:**

Councilwoman Feggins-Boone-Aye  
Councilman Honeycutt-No  
Councilman Moody-Aye  
Councilman Ben Taylor-Aye

Councilman Graham-Aye  
Councilwoman Luster-Aye  
Councilman Moss-No  
Councilman Joseph Taylor-Aye.

**E. Economic Incentive Grant Agreement (EIGA)**

Kim Callis shared that the Town of South Hill offers numerous incentives to attract and retain new and expanding industries and businesses. In addition to these incentives and as a follow up to information provided to Council several months ago by Mecklenburg County Administrator Wayne Carter, Mecklenburg County Attorney Russell Slayton has drafted an EIGA defining how certain tax revenue will be shared between Mecklenburg County, the Industrial Development Authority (IDA) of the Town of South Hill, and the Town of South Hill that is vital to the establishment of Microsoft Corporation data center operations in South Hill. As these data center facilities are constructed and become operational in the coming years, local tax revenues will grow significantly and contribute to the funding needed to provide crucial services and improve/expand infrastructure. Council approved the EIGA for the Hillcrest Industrial Park at its March 2021 meeting. Mr. Callis presented the EIGA for the Interstate Industrial Park which has been reviewed and approved as to form by Jimmy Butts, III.

In answer to Councilman Ben Taylor's question as to when the Town would receive its money from the County, Mr. Callis commented this is identical to what we did with Hillcrest. He stated when Microsoft pays the money to us, we turn it over to the IDA. The County will remit our share to us twice a year, the first meeting after they collect the taxes.

**A motion was made by Councilman Honeycutt, second by Councilman Moody,** to approve the Interstate Industrial Park Economic Incentive Grant Agreement between Mecklenburg County, the IDA of the Town of South Hill, and the Town of South Hill. A **roll-call vote** was requested and voiced as follows:

Councilwoman Feggins-Boone-Aye  
Councilman Honeycutt-Aye  
Councilman Moody-Aye  
Councilman Ben Taylor-Aye

Councilman Graham-Aye  
Councilwoman Luster-Aye  
Councilman Moss-Aye  
Councilman Joseph Taylor-Aye.

Mr. Callis mentioned a copy of the letter from the Commissioner of the Revenue informing people of the situation with personal property tax on vehicles was placed on the dais. Assessments on vehicles are expected to increase this year. As assessments are determined by Mecklenburg County, questions should be directed to them.

**7. FINANCE REPORT**

**A. Appropriation of Grant Funds for Opticom System**

Sheila Cutrell reported the Town has applied and been approved for a Risk Management Grant from our insurance company (VRSA) in the amount of \$4,000.00. The grant funds will be used to purchase an Opticom system for one intersection in Town (the main light). Opticom is a system that preempts traffic signals to give emergency vehicles the right of way. The system will be used to reduce the chance of traffic crashes related to emergency vehicle response to emergencies. The total cost of the system is \$7,116.40. We will use funds in the Street Maintenance budget to cover the remaining cost. Ms. Cutrell asked that Council appropriate grant funds in the amount of \$4,000.00 for the stated purpose.

**A motion was made by Councilman Graham, second by Councilwoman Feggins-Boone,** to appropriate Risk Management Grant funds in the amount of \$4,000.00 into the FY21-22 budget for the purpose of purchasing an Opticom system. Motion carried unanimously.

**B. Appropriation of Aid to Localities Funds for Fire Department**

Sheila Cutrell shared that the Town annually receives Aid to Localities funds from the Virginia Department of Fire Programs for use by the Fire Department. This year, \$1,099.00 more was received than was included in the FY22 General Fund Budget. Ms. Cutrell asked that Council appropriate these additional funds for use by the Fire Department.

**A motion was made by Councilman Graham, second by Councilwoman Feggins-Boone,** to appropriate \$1,099.00 in additional Aid to Localities funds received from the Virginia Department of Fire Programs to be utilized by the Fire Department. Motion carried unanimously.

**8. 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 backstop and fence replacement project at the Parker Park Softball complex is underway.

**ii. South Hill Yellow Jackets Home Field**

Mr. Callis reported that as part of an arrangement between the Town and County school system, the South Hill Yellow Jackets football teams have played their home games at Park View Middle School for several years. As Park View High and Middle Schools are part of the new consolidated Mecklenburg County High School and Middle School campus that will open in 2022, efforts are underway with the County school system to ensure the Yellow Jackets continue to have a facility to host home games and to consider other possible uses of the Park View athletic facilities.

**B. Finance Report**

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

General Fund	-	\$10,451,155.00	Total Investment Accounts	-	\$15,415,756.96
Water and Sewer Fund	-	3,877,416.68	Total Police Dept. Savings	-	\$ 28,255.62
Cemetery Fund	-	14,735.45	Total Taxes Due Thru 09/30/21	-	\$ 213,119.48
2 <sup>nd</sup> & 3 <sup>rd</sup> Street Project Fund	-	39.11	(Real Estate and Personal Property, all years)		
Food Insecurity Project Fund	-	<u>(180.68)</u>			
Total in Checking	-	\$14,343,165.56			

### **C. Police Report**

Chief Stuart Bowen submitted the police report for September 2021. Chief Bowen informed Council there were 305 activity incidents, 34 reportable criminal offenses, 895 calls for service, and \$14,030 property recovered. Other miscellaneous included 0 court overtime hours, 54 training hours, 24 warrants issued, and 16 inoperative vehicles tagged.

He included the following administrative news:

- Officer Amanda Parker attended the two-day Distracted Driving Summit at Virginia Beach.
- Detective Carie Watters completed two days of Virginia Fusion Liaison Officer Training at Newport News.
- Corporal Tony Solomon and Officer Ethan Atkinson completed 16 hours In-Service at South Boston.
- Captain Shane Johnson and Corporal C. B. Fleming instructed three days Defensive Tactics and Chief Stuart Bowen and Officer Brandon Campbell instructed Ethics at the training academy.

### **D. Municipal Services Report**

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

- The contractor on the NE Sewer Project is installing pipe on the force main. The contractor's schedule has a second pipe crew joining the current crews that are working sometime in October. Pipe installation has slowed somewhat as rock has been hit.
- The Town has advertised for proposals for the repainting of the interior of the water tank on Plank Road. The proposals are due on October 14.
- The Town continues to work with FEMA for reimbursement on the expenses for the February ice storm cleanup and expenses related to the generator usage. So far, FEMA has obligated 75% of the costs associated with the storm cleanup. The Town is also pursuing hazard mitigation funds to expand Town capabilities and improve infrastructure.
- The installation of the new poles for the netting on the softball fields is complete. The netting has not arrived or been installed yet. The Parks crew and the Facility crew will be working at the softball fields this offseason.
- The Wastewater Treatment Plant staff are assisting Dewberry as sampling has begun for the State required Industrial User Survey of the influent waste stream.
- The Facility crew has completed several tasks including working on streetlights owned by the Town and work on other buildings.
- The Street crew has installed several new water and sewer connections this month.
- The Water crew has ordered the radio read meters and is ready to begin installation upon their arrival.

### **E. Code Compliance Report**

#### **i. Monthly Report**

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

Inspections Completed	-	53
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Permits Issued	-	21
Fees Collected	-	\$ 5,299.58
UEZ Exemption	-	\$ 0
Rehab Exemption	-	\$ 0
General Exemption	-	\$ 25.50
Work Value	-	\$ 1,049,947.00

There were no new businesses for September.

**ii. Dilapidated Properties**

Along with the list of completed dilapidated properties since 2016, David Hash and Jamie Velvin submitted a report on the status of 42 dilapidated properties.

**iii. Code Inspector Activity Report**

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

- Spoke with property owner of 419 E. Atlantic Street to set new completion date
- Spoke with owner of 209 Bryan Street regarding work needing to be performed
- Met with Sam Allen regarding work schedules
- Handled trash complaint at 700 Lombardy Street
- Spoke with property owner of 108 W. High Street regarding debris in yard and missed deadline for removal
- Met with Town Attorney regarding 117 Clay Street
- Handled bulk waste complaint on Glenwood Circle
- Handled trash container complaint 702 and 704 Brooke Avenue
- Spoke with property owner of 1287 W. Danville Street regarding lack of progress and legal issues
- Met with property owner at 706 Brooke Avenue regarding work already performed
- Met with business owner at BNT Auto regarding vehicles to be towed off the lot
- Met with Animal Control Officer at 704 Brooke Avenue
- Spoke with property owner of 208 W. Fifth Street regarding high grass
- Met with property owner regarding trash complaint at 702 and 704 Brooke Avenue
- Located inoperable cars for list number eight
- Spoke with property owner of 101 W. Second Street about continuing work
- Spoke with property owner regarding accumulating debris at 906 Plank Road
- Met with the property owner at 205 W. Fifth Street about grass complaint and condition of neighboring properties
- Spoke with resident on Clay Street about the condition of property at 117 Clay Street
- Met with the Fire Chief at 1143 W. Danville Street regarding pending demolition



- Spoke with property owner of 617 W. Danville Street to set a completion date
- Checked a garbage and recycle container complaint at 412 W. Atlantic Street
- Met with contractors at 1143 W. Danville Street job site regarding pending demolition
- Met with property owner at 125 Clay Street regarding work needing to be done
- Spoke with property owner of 202 Windsor Street about missed deadline and starting work
- Fourteen notices to cut grass sent out
- One Correction Notice sent out
- Five notices to clean up property sent out
- One Violation Notice sent out
- One Violation Notice posted to door
- One Demolition Bid sheet sent out to contractors
- Seventeen inoperable vehicles submitted to the Police Department for tagging
- Five inoperable vehicles towed
- Fourteen off-premise signs removed
- Monitored all Item B properties for progress; two removed from list with one added

**iv. Public Hearing for RE 2021-5 Canceled at the Request of the Buyer**

Included in the Code Compliance Report was a notice of cancelation by Jireh Construction Company, Inc. of the Public Hearing RE 2021-5. The property for which this rezoning request applied is owned by Roger E. and Catherine S. Upton and is located on Raleigh Avenue between W. Atlantic Street and Forest Hill Drive on the north side of the street. The request was to rezone the property from single-family residential district R1-10 to general residential district R2-16.

**F. Business Development Report**

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

- Mr. Morris reported he continues the push of recruiting businesses in the downtown and the former Gordmans location as well as new restaurants around Town.
- A job fair was successfully executed for 27 employers on September 9, 2021.
- He and the South Hill Chamber of Commerce worked together on an article about South Hill's new LOVE sign that was featured in the most recent edition of the Virginia Town and City Magazine.
- He continued working with DHCD on an upcoming strategic market plan for downtown businesses and shoppers as part of the Rural Community Development Initiative (RCDI) program. A community input session has been scheduled for November 9 and 10.
- Three new businesses have been welcomed over the last several months:
  - BW Fiberglass has moved into the former BGF facility in Interstate Industrial Park.
  - Flawless Aesthetics and Wellness opened downtown at 302 N. Mecklenburg Avenue.

- The Chill Zone ice cream shop opened downtown at 123 S. Mecklenburg Avenue.

## **G. Human Resources Report**

Carol Hutchinson submitted the following administrative news for September 2021:

- Informational meetings were held with all departments regarding the Communications and Media Policy. Information on the fitness reimbursement procedures was also provided during the meetings. Employees were given a copy of the Communications and Media Policy to place in their employee manual. Fitness Reimbursement Forms were available.
- Ms. Hutchinson attended the following webinars:
  - Navigating the Uncertainty of COVID-19 – September 8, facilitated by Anthem
  - Clearing the Smoke: Marijuana and Virginia's Public Sector Workplace – September 16, facilitated by IPMA-HR Virginia Chapter
- An open position of Maintenance Operator I – Street Department was advertised during September. Interviews for this position will be held in October.

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

On the Income/Expense Report for the current month, Councilman Moss asked about the Investment Gains (Losses) line item of -14,132.85 for the current month. Sheila Cutrell answered it is an unrealized loss on our Virginia investment pool funds. The market value decreased. We initially invested the VIP Stable NAV Liquidity Pool with \$5,000,000; to date it is \$5,021,209.84. The VIP 1-3 Year High Quality Bond Fund was initially invested with \$10,000,000; to date it is 10,137,971.74. Ms. Cutrell mentioned the market has significantly dropped since COVID hit.

## **9. COMMITTEE REPORTS**

There were no committee reports.

## **10. OLD BUSINESS**

There was no old business.

## **11. NEW BUSINESS**

Councilman Honeycutt mentioned Mandy Calhoun gave a LINCS presentation at the Chamber luncheon. LINCS stands for Learning in Networks of Community Support. This organization partners with Mecklenburg County Public Schools in placing individuals with disabilities in a workforce setting for six hours a week/three hours, two different days. Councilman Honeycutt encouraged businesses to reach out to Ms. Calhoun to find out what they can do to help.

Councilman Honeycutt shared that South Hill was in the VTC VML magazine again this month with a spotlight on the Chamber's LOVE sign.

Kim Callis mentioned he received a nice note from Coaches Reid, Harris, and Phillips and the players on the Dixie Youth World Series team thanking us for the support.

Councilman Moss congratulated the South Hill Volunteer Fire Department (SHVFD) for receiving the Life Saving Gold Pin award from ACI Fire & Safety (Air-Care Inc). The SHVFD received this award for their life saving efforts in the wreck on I-85. Attendees clapped in appreciation.

Councilman Moss mentioned that on September 28, he requested to be notified as a citizen of committee meetings but has received no response. Anna Cratch stated all Council members will be notified of all committee meetings.

## 12. CLOSED SESSION

### Personnel – § 2.2-3711(A)(1)

Pursuant to Personnel – § 2.2-3711(A)(1) 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 Personnel matters involving Police Department vacancies and part-time labor at the Fire Department. Motion carried unanimously.

There was no action taken while in Closed Session on the Personnel 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**, § 2.2-3711(A)(1) of the Code of Virginia requires 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 this 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 South Hill Town Council. **A motion was made by Councilman Honeycutt, second by Councilwoman Luster**, to approve **Resolution 355**, dated October 12, 2021 and return to **Open Session**. A **roll-call vote** was requested and voiced as follows:

Councilwoman Feggins-Boone-Aye	Councilman Graham-Aye
Councilman Honeycutt-Aye	Councilwoman Luster-Aye
Councilman Moody-Aye	Councilman Moss-Aye
Councilman Ben Taylor-Aye	Councilman Joseph Taylor-Aye.

## 13. OPEN SESSION

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

## 14. OTHER BUSINESS

Mayor Marion shared that the Town has joined the Chamber in sponsoring the Christmas Concert featuring the Embers. Tickets are available for Council members who would like to attend.

## 15. ADJOURNMENT

There being no further business matters before the South Hill Town Council, Mayor Marion adjourned the meeting at 8:38 p.m.

**VALIDATION**

Minutes approved this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

\_\_\_\_\_  
Anna B. Cratch, Town Clerk

\_\_\_\_\_  
Dean Marion, Mayor

## Anna Cratch

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**From:** Shep Moss  
**Sent:** Wednesday, October 13, 2021 3:31 PM  
**To:** Dean Marion; Anna Cratch; Kim Callis; Ben Taylor; Mike Moody; Delores Luster; Lillie Feggins-Boone; Joseph Taylor; Gavin Honeycutt  
**Subject:** Meeting Comments

Good afternoon, I just wanted to follow up on my comment last night about, in my opinion, the lack of bids that we are receiving in general. After reviewing the video from last night my comment was taken out of context in that my comment was in the form of a question and not an accusation. In my opinion this is something as a whole that we need to review.

Here are a just a few of the bids for this year alone that I have confirmed with our Clerk.

1. Police Dept. remodel in December. There were 2 bids submitted but they were never presented to Council for approval.
2. R-Cut project and downtown parking project. Only received 1 bid from Barker Construction.
3. Overlay and traffic marking received two bids
4. Bulk fuel contract only received 1 bid
5. Tax collections contract. Was not necessary to bid but Council never reviewed competitive pricing for this service
6. Stormwater project on East Atlantic St. has received zero bids.
7. We did receive 3 bids on the NE sewer project.
8. Police schematic drawing only 1 bid.

So, in my opinion 6 of the 8 jobs either did not receive more than 1 bid, were not approved by council, or received no bids at all. I just want to make sure that we are advertising our contracts in the proper, which is different from just legal, locations for each project, to get the best bang for our buck and to protect our taxpayers dollars as best we can.

Thanks for a productive meeting last night and let's all keep moving in the same direction on the same team.

Shep

Howard P. Estes, Jr.  
T: 804.349.4764  
HESTES@ESTESLAWVA



ESTES LAW & CONSULTING

September 20, 2021

VIA ELECTRONIC MAIL

Mr. Kim Callis, Town Manager  
Town of South Hill  
211 S. Mecklenburg Avenue  
South Hill, VA 23970-2619  
[kcallis@southhillva.org](mailto:kcallis@southhillva.org)

**Re: Legal Services as Town Attorney**

Dear Mr. Callis:

I want to thank the Town Council and you for the opportunity to represent the Town of South Hill as Town Attorney. We have enclosed our Terms and Conditions, which set forth the terms and conditions that will govern our engagement in this matter.

In the interests of recognizing sensitivity with budget matters, we are offering a fixed fee retainer for certain, regular services and an hourly rate, representing more than a fifteen percent discount off of standard rates, for representation on unique matters or projects.

If you have any questions or concerns about these Terms and Conditions, please contact me to discuss. If you find them acceptable, please sign this letter in the designated space below, initial each page of the Terms and Conditions and return the entire signed and initialed document to me.

Again, we appreciate this opportunity, and I look forward to working with you again.

Sincerely,

Howard P. Estes, Jr.

HPE/jc  
Enclosure

TOWN OF SOUTH HILL  
September 17, 2021  
Page 2

Reviewed and Agreed:

TOWN OF SOUTH HILL, VIRGINIA  
KIM CALLIS, TOWN MANAGER

By: Kim Callis

Date: 10/12/21

**ESTES LAW & CONSULTING, PLLC**  
**TERMS AND CONDITIONS**

1. **Statements.** Unless otherwise stated herein, statements will be provided monthly for services rendered during the preceding calendar month. Statements will include expenses incurred or advanced during the billing period.

2. **Services.** The following services will be covered under a fixed fee retainer:

A. Attend all meetings of the following and provide legal advice as needed during such meetings and in support of meeting preparation including review of notices, materials, and staff reports, and providing advisory services to staff on agenda items:

- i. Town Council, Regular meetings
- ii. Town Council, Special meetings
- iii. Town Council, Work Sessions (as needed)

B. General advice and counsel to Town staff or as directed by Council:

- i. Email and phone guidance on general questions on state and federal law compliance
- ii. Advice and counsel on employment and human resource matters, including but not limited to grievance processes and compliance with personnel policies, EEOC matters, ADA and FMLA, and worker's compensation
- iii. Supporting annual audit work and issuing opinion letters regarding litigation and material financial disputes
- iv. Review of procurement documents and ensuring compliance with state procurement laws
- v. Advice on Freedom of Information Act requests
- vi. Advice on Conflict of Interests matters
- vii. Review of contracts
- viii. Review of proposed Town Code amendments
- ix. Advice regarding land use and zoning compliance
- x. Advice on general matters such as reviewing environmental assessments regarding Town property, developing economic development options and assisting with intergovernmental relations
- xi. Monitoring and advice on changes to state and federal laws affecting Town operations, administration and interests

For clarity, the following would not be included in the fixed fee retainer:

- i. Litigation matters
- ii. Eminent domain and real estate closings
- iii. Financings
- iv. Drafting of Code amendments
- v. Projects estimated to take longer than 1.5 hours, such as drafting of contracts, edits to policies and representation in administrative hearings

Initial KC



Services beyond those in A and B will be billed on an hourly basis, and you will be notified in advance of any such hourly charges. Services from other professionals will be based upon the hourly rates of the lawyers designated for the representation reflecting the nature, scope, and complexity of the matter(s) involved, the legal skill, expertise, and experience required, and time constraints imposed. Our rates are reviewed periodically and are subject to adjustment to account for increases in the cost of delivering legal services and for augmentation of a particular lawyer's legal skill, expertise, and experience. Any changes in hourly rates are applied prospectively and will be reflected in our statements of services rendered. Paralegals and legal assistants will be billed at their hourly rates in effect when the services are performed.

3. **Cost Containment; Term.** We are sensitive to our clients' interest in containing costs. Our goal is to provide effective legal services at a reasonable cost. The hourly rates of our lawyers, both partners and associates, are graduated and reflect their experience, specialization, and expertise. By agreement, we will handle services at a fixed fee and an hourly rate, for the described services:

Monthly Fixed Retainer: \$3,925.00/mo.

Hourly Rates:

Howard P. Estes, Jr./Partners: \$365.00/hr.

Associate Rate: \$255.00/hr.

4. **Expenses.** We will not charge for office, mailing or other incidental expenses. Any expense over \$25 would require pre-approval from you. These costs could include, by way of illustration of proper expenses but not by limitation, lobbyist registration fees, parking, travel expenses, and other similar items.

5. **Entity Consent.** If the signatory to the accompanying engagement letter is an entity created by law, including, without limitation, a political subdivision of the Commonwealth of Virginia, a trust, an estate, a partnership, an association, an order, a corporation, or any other commercial entity ("legal entity"), the individual(s) signing the engagement letter warrants and covenants that all appropriate action has been taken to authorize entry into the agreement and that the individual(s) signing the engagement letter has the authority to sign on behalf of and bind the entity. To the extent that the individual(s) signing the engagement letter is not authorized to bind the client, he/she (they) shall be personally obligated for payment of the amounts due to us from the client.

6. **Payment of Account.** Our statements for services rendered and costs incurred are due and payable upon receipt. If a statement is not paid in full within thirty (30) days of the statement date, we reserve the right, in our discretion, to charge interest monthly at the rate of 9.0% per annum, and, upon notice to you, to withhold further services until the statement is paid and/or terminate the engagement; in addition, we may decline further services following payment unless a satisfactory deposit is made towards the payment of future services and costs. If legal action is

undertaken to collect an account due, you will be liable for costs, expenses, and attorney's fees incurred plus interest at the rate of 9.0% per annum on the delinquent balance.

7. **Engagement.** You may terminate our services at any time upon notice to us. Likewise, the firm reserves the right in appropriate circumstances to resign as counsel upon notice to you. If we resign as counsel of record for you in a litigation matter, we will tender an order for you to endorse authorizing our withdrawal as counsel. If you or we terminate our engagement, we will take reasonable steps to protect your interests pending your engagement of another lawyer. Unless sooner terminated, our engagement as counsel will be concluded upon our sending you a final statement for services rendered. Unless we agree otherwise, we will have no continuing obligation to advise the client with respect to future legal developments once this matter concludes.

8. **Retention of Closed Files.** Upon completion of our representation, the files we have maintained in your legal matter will be closed. The files will be retained either as originals or in electronic format for a period of seven (7) years, unless the principal lawyer in the representation designates a longer period. The files will be destroyed upon the expiration of the retention period without further notice. Promptly after the conclusion of the representation, you should inform the principal lawyer, if you wish to review the files or request certain documents.

9. **Relationship.** As your attorney, we are charged with a duty of independent professional judgment, confidentiality, loyalty, and diligence. As our client, you are charged with a duty of cooperation and candor. Substantive aspects of our representation will be discussed with you and documents will be provided to you in advance, except in cases of emergency or your unavailability. Your communications with us are protected by our ethical obligation of confidentiality, as well as by the evidentiary rule of attorney-client privilege. Hence, you should be open and forthright with us so that we have all information relevant to our representation. Please note that in instances in which we represent a legal entity, our attorney-client relationship is with the entity alone and, unless otherwise stated in our engagement letter, is not with its elected officials, appointed staff or officers, directors, or affiliates. Similarly, when we represent a party on an insured claim, our attorney-client relationship is with the insured, and not the insurance company, even though we may be approved or paid by the insurance company.

10. **Relationship with Other Clients.** From time-to-time one of our lawyers may be asked to represent a client in a matter that involves another client we represent in an unrelated matter. We are permitted to represent both clients in that situation as long as we are satisfied that we can provide independent professional judgment to each client in their distinct matters, the clients' interests in the matter between them are not antagonistic and adversarial, and each client consents after consultation. From time to time, too, we may be asked to represent clients who are competitors of each other in the same industry or field of business. Just as you may refer a matter to a law firm that competes with us, we are permitted to represent clients who are competitors, as long as they are not adverse to or opposing each other in the matters in which we represent them, and we are satisfied we can provide independent professional judgment to each client.

11. **Identifying Conflicts of Interest.** We depend on you to help us identify now, and as the representation progresses, persons or entities that may be in a position directly adverse to your interests in this representation. We also depend on you to help us identify those who are

likely to be adversely affected by our representation. Please advise us of any change in the Company's status, owners or affiliates, or any similar circumstances, that might affect our analysis of actual or potential conflicts of interest.

12. **Electronic Communications.** Facsimile transmission, electronic mail (e-mail), mobile telephones, and text messages are commonly used in our communications with clients. It is possible that those means of communication could be misrouted or intercepted and thereby result in an inadvertent disclosure of confidential information to third parties. Unless you direct otherwise, we will assume that, because of the speed and efficiency of such electronic communications, you consent to our utilizing them.

13. **Third-Party Inquiries.** We are frequently asked to provide information to auditing firms regarding legal matters of our clients. We are also occasionally asked to provide information to federal and state regulatory agencies regarding legal matters of our clients. We respond to all such inquiries with the same level of care and professionalism that we use to handle the client's other legal work and will charge for these services at the same rates and costs. When an auditing firm requests information on the client's behalf, that request will be deemed to be the client's consent for us to disclose that information to that firm.

14. **Representative Clients.** From time to time, Estes Law & Consulting may furnish a list of representative clients to prospective clients. The listing is by name alone and does not contain any confidential information gained in the clients' representation. Please inform the attorney primarily responsible for your matter if you do not wish for Estes Law & Consulting to include you in a list of representative clients.

15. **Future Engagements.** These Terms and Conditions shall govern the terms of our representation in this matter as well as any future matters we handle on your behalf unless we establish a new representation agreement in the future.

16. **Information Preservation.** In situations where you anticipate being in litigation, or are already in a lawsuit, certain duties arise to protect and preserve evidence that is relevant to the issues(s), or may be relevant to the issues, may lead to discoverable information, is reasonably likely to be requested in discovery, or is subject to a pending request for production by an opposing party. The specific case and venue may impact the scope of your duties. However, there are possible severe consequences imposed by courts for a party's failure to preserve such evidence.

In this context, evidence includes, but is not limited to, audio/video recordings, paper documents, paper files, off-site stored files, electronically stored information (ESI) and related metadata, back-up tapes for ESI, employees' personal notes and ESI, and other similar information. It is critical that you work with us to ensure that such evidence is preserved. You should immediately issue a "litigation hold notice" to your employees, as well as, suspend any current document retention and/or destruction policies you have in place with respect to the above types of information. You should memorialize your implementation of these efforts, and ensure that you document notice to all affected employees and outside vendors. Because there are duties placed on us to help preserve the information, we will work with you on these efforts, but you should immediately suspend any policies that may lead to the destruction of information.

## ECONOMIC INCENTIVE GRANT AGREEMENT

**THIS ECONOMIC INCENTIVE GRANT AGREEMENT** (“Agreement”) is dated this 29<sup>th</sup> day of September, 2021, to be effective on the date that this Agreement has been signed by all parties (“Effective Date”), by and among **TOWN OF SOUTH HILL, VIRGINIA** (“Town”), **INDUSTRIAL DEVELOPMENT AUTHORITY OF THE TOWN OF SOUTH HILL, VIRGINIA** (“IDA”), and **MECKLENBURG COUNTY, VIRGINIA** (“County”).

### RECITALS:

- R-1** Microsoft Corporation (“Microsoft”) has purchased from IDA real property within the South Hill town limits, which property consists of 138.78 acres and is known as the Interstate Industrial Park (“Property”), and which deed from IDA to Microsoft is recorded in the Clerk’s Office of the Circuit Court for Mecklenburg County, Virginia, as Instrument Number 210002944.
- R-2** A factor in Microsoft’s determination of whether to purchase the Property was that Microsoft will not locate at a site which will subject its ownership and operation to taxation by two separate taxing authorities, in this case, County and Town.
- R-3** County and Town reached an agreement by which they would share all County tax revenue generated from Microsoft’s ownership of the Property, and conducting its operations thereon, and under which agreement the shared County tax revenue would be the only “net” tax obligation incurred by Microsoft.
- R-4** Town has agreed that all tax received by it as a result of Microsoft’s ownership of the Property, and conducting its operations at the Property, will be refunded to Microsoft, through IDA, under the arrangement set forth herein.
- R-5** Virginia Code Section 15.2-1202 authorizes the governing body of any county to appropriate such sums as it desires to pay to any incorporated town or towns within the boundaries of the county.
- R-6** Virginia Code Section 15.2-4905(13) authorizes industrial development authorities to make grants to any corporation or business for the purpose of promoting economic development.
- R-7** The parties make and enter into this Agreement to set forth the terms and conditions on which the intent of the parties, as stated above, will be implemented.

**WITNESSETH:** That for and in consideration of the mutual and reciprocal duties imposed upon the parties hereby, and in further consideration of the benefits inuring to the parties hereunder, the parties covenant and agree as follows:

1. The term of this Agreement shall commence on the Effective Date, and the term hereof shall end in the first year when Microsoft owes no tax to either County or Town resulting from its ownership of the Property, or from conducting business operations on the Property.
2. Tax due to County each fiscal year is paid in two installments, the first of which is due on December 5 and the second of which is due on June 5.
3. Tax due to Town each fiscal year is paid in one annual installment due on January 5.
4. As an inducement for Microsoft to acquire the Property, improve the Property, and conducting its business operations on the Property, within thirty (30) days after receipt of the amounts paid by Microsoft to Town for tax arising from the Property, Town will appropriate that same amount and remit the total appropriated to IDA to enable IDA to provide an annual economic incentive grant ("EIG") to Microsoft in the amount received by IDA from Town. Town shall have no duty to so appropriate any sums not theretofore received from Microsoft.
5. Within thirty (30) days after receipt of the payment from Town identified in paragraph 3 hereof, IDA will appropriate and remit that full amount to Microsoft as an EIG. IDA shall have no duty to so appropriate any sums not theretofore received from Town.
6. At its first meeting after December 5 each fiscal year, County will appropriate one-half (1/2) of all tax received by County before December 6, arising from Microsoft's ownership of, and conducting business operations on, the improved Property, and remit to Town the amount so appropriated.
7. At its first meeting after June 5 each fiscal year, County will appropriate one-half (1/2) of all tax received by County before June 6, arising from Microsoft's ownership of, and conducting business activities on, the improved Property, and remit to Town the amount so appropriated.
8. All parties to this Agreement acknowledge that the appropriations required hereunder of both Town and County do not constitute legally enforceable obligations, but by joining in the execution hereof both Town and County evidence their moral obligation to make all of the appropriations required of them hereunder.
9. The parties acknowledge that the terms and conditions hereof shall be interpreted, construed and enforced under the laws of the Commonwealth of Virginia. The parties further acknowledge that in the event of litigation under any of the terms and conditions hereof, the Circuit Court for Mecklenburg County, Virginia, shall have exclusive jurisdiction.

10. The parties agree that any modification or amendment of this Agreement shall be in writing signed by all parties before such modification or amendment shall have force or effect.
11. The terms and conditions of this Agreement shall be binding on the parties hereto on the date on which this Agreement has been executed by all three parties, and said terms and conditions shall be binding not only on the parties hereto, but also their assigns and other successors in title.
12. The parties acknowledge that the terms and conditions hereof constitute the entire agreement among the parties, and that no modification or amendment hereof shall be binding upon the parties unless reduced to writing and signed by all parties hereto.
13. This Agreement may be executed in counterparts, each of which shall be deemed an original and all which together shall constitute one and the same instrument. Scanned copies of signatures shall be as enforceable as original signatures.
14. In the event any one or more of the provisions contained in this Agreement are held to be invalid, such invalidity shall not affect any other provision hereof and all other provisions in this Agreement shall continue in full force and effect.

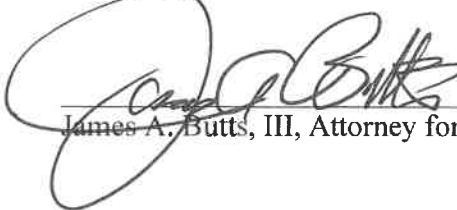
**IN WITNESS WHEREOF**, this Agreement is executed by Town, IDA and County by the duly authorized officer, agent or representative of each.

Date: 10/12/21

TOWN OF SOUTH HILL, VIRGINIA

By: Kim Callis (SEAL)  
 Printed Name: Kim Callis  
 Title: Town Manager

APPROVED AS TO FORM:

  
 \_\_\_\_\_  
 James A. Butts, III, Attorney for Town

**SIGNATURE PAGE TO ECONOMIC INCENTIVE GRANT AGREEMENT  
DATED SEPTEMBER 29, 2021, AMONG TOWN OF SOUTH HILL, VIRGINIA,  
INDUSTRIAL DEVELOPMENT AUTHORITY OF TOWN OF SOUTH HILL,  
VIRGINIA, AND MECKLENBURG COUNTY, VIRGINIA**

Date: \_\_\_\_\_

INDUSTRIAL DEVELOPMENT AUTHORITY OF  
THE TOWN OF SOUTH HILL, VIRGINIA

By: \_\_\_\_\_ (SEAL)

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_  
E. Warren Matthews, Attorney for IDA

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**SIGNATURE PAGE TO ECONOMIC INCENTIVE GRANT AGREEMENT  
DATED SEPTEMBER 29, 2021, AMONG TOWN OF SOUTH HILL, VIRGINIA,  
INDUSTRIAL DEVELOPMENT AUTHORITY OF TOWN OF SOUTH HILL,  
VIRGINIA, AND MECKLENBURG COUNTY, VIRGINIA**

Date: \_\_\_\_\_ MECKLENBURG COUNTY, VIRGINIA

By: \_\_\_\_\_ (SEAL)

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_  
Russell O. Slayton, Jr., Attorney for County

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**SOUTH HILL TOWN COUNCIL  
REGULAR MEETING AGENDA  
TUESDAY, OCTOBER 12, 2021, 7:00 PM**

Town Hall Council Chambers ~ 211 S. Mecklenburg Avenue ~ South Hill, Virginia 23970

*(Please silence all cell phones while Council is in session.)*

1. Call to Order
2. Invocation
3. Roll Call
4. Approval of Minutes – September 13, 2021
5. Citizens to Address Council *(Comments are limited to three minutes.)*
6. Town Manager Report
  - A. Halloween Reminders
  - B. Town Attorney
  - C. Fire Officer Residence Requirements
  - D. Police Department Renovation Project
  - E. Economic Incentive Grant Agreement
7. Finance Report
  - A. Appropriation of Grant Funds for Opticom System
  - B. Appropriation of Aid to Localities Funds for Fire Department
8. Reports to Approve as Presented
  - A. Town Manager Report
    - i. Facilities Reservation Calendar
    - ii. South Hill Yellow Jackets Home Field
  - 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
    - iv. Public Hearing for RE 2021-5 Canceled at the Request of the Buyer
  - F. Business Development Report
  - G. Human Resources Report
9. Committee Reports
10. Old Business
11. New Business
12. Adjournment