



SOUTH HILL TOWN COUNCIL

REGULAR MEETING MINUTES

TUESDAY, JUNE 11, 2024, 7:00 P.M.

The regular monthly meeting of the South Hill Town Council was held on Tuesday, June 11, 2024 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 at <https://www.youtube.com/@southhillva/live>. Town Clerk Anna Cratch took notes at the meeting; Interim Town Clerk Krystle Connell prepared the meeting minutes.

I. OPENING

Honorable Mayor Dean Marion called the regular meeting to order at 8:19 p.m. Mayor Marion called upon Town Clerk Anna Cratch to call the roll, which was as follows:

A. Council Members

Lillie Feggins-Boone
Dr. Lisa Jordan
Michael Smith

Ashley C. Hardee
Delores Luster
Joseph E. Taylor, Jr.

Gavin Honeycutt
Mike Moody

B. Staff in Attendance

Keli Reekes, Town Manager
Anna B. Cratch, Town Clerk
Stuart Bowen, Police Chief
Kristine Martin, HR Manager
Jesse Bausch, Town Attorney Services

Krystle Connell, Dir. of Fin. and Admin.
C.J. Dean, Dir. of Municipal Services
David Hash, Code Compliance Official
Greg Geist, Deputy Police Chief

II. APPROVAL OF AGENDA

A motion was made by Councilor Honeycutt, second by Councilor Jordan, to approve the agenda for June 11, 2024 as amended. The motion carried unanimously.

III. SOUTH HILL INDUSTRIAL DEVELOPMENT AUTHORITY (IDA) – RESOLUTION OF APPRECIATION FOR WARREN MATTHEWS

Spencer Crowder, Chairman of the South Hill IDA, presented E. Warren Matthews with a Resolution of Appreciation for his many contributions to the Authority rendered during his over 50 years of service as council. Mr. Matthews expressed thanks to the South Hill IDA, his successor Tessie Bacon, and the Town of South Hill.

IV. CITIZENS TO ADDRESS COUNCIL

At this point in the meeting, the following citizen(s) addressed Council:

- Willie Jiggetts – ‘Brunch in the Park’ at Centennial Park on Sunday, July 7 from 1:00 p.m. to 6:00 p.m.

A motion was made by Councilor Feggins-Boone, second by Councilor Honeycutt, to approve the event at Centennial Park. The motion carried unanimously.

- Beth Farrar Lett – Research was not provided on the elimination of Business Development Manager position; citizens deserve better; action taken at the May Council meeting was disrespectful to the Mayor, Town Council and citizens
- Wade Crowder – Paving of Lee’s Court; in regards to the budget ordinance, Town Council should run the Town and manage budget transfers; Plank Road waterline
- Al Hart – Concern over regulations of business signs
- John Duffer – People should be treated with respect
- Paul Duffer – Concern over length of closed session discussion
- Ed Taylor, President, Lee’s Court – Lee’s Court (the street) is not private property and was deeded to the Town in 1995; Town to maintain roadways and parking spots of Lee’s Court
- Chad Barbour – Elimination of Business Development Manager position should have been discussed during the budget work sessions; since implementation of position in 2017, there have been increases in revenue associated with meals, lodging taxes and business licenses; over half of local tax revenue comes from these specific tax and license revenues and keeps real estate taxes low.

V. PUBLIC HEARINGS

- A. SE 2024-3, Request by 58 South Hill LLC to utilize the properties owned by Matthews Revocable Trust and CGT Properties 2 LLC, located beside Cracker Barrel, for a convenience (food) store greater than 3,000 square feet selling motor fuels – David Hash**

David Hash informed Council that a Notice of Public Hearing was published which asked for comments regarding the SE 2024-3 request by 58 South Hill LLC to utilize the properties owned by Matthews Revocable Trust and CGT Properties 2 LLC, located beside Cracker Barrel, for a convenience (food) store greater than 3,000 square feet selling motor fuels. At its June 3 meeting, the South Hill Planning Commission recommended Council approval.

Mr. Hash opened the Public Hearing.

- Wade Crowder wanted confirmation as to where the entrance will be located.

Mr. Hash closed the Public Hearing.

Councilor Moody stated a Public Hearing on this request was held at the June 3, 2024 Planning Commission meeting. The convenience store will be located to the right of Cracker Barrel on Highway 58, the building will be 6,372 square feet and 16 fuel pumps will be available, none of which are for 18-wheelers. There will be 79 parking spaces, the total land developed will be 6.12 acres, and no overnight parking will be available. Food items will be available for walk-in or drive-up customers, the entrance into the store will be to the right of Cracker Barrel and the exit will be located on the backside of the property by Home Depot. Cracker Barrel has been contacted in regards to the shared entryway.

A motion was made by Councilor Honeycutt, second by Councilor Hardee, to approve the SE 2024-3 request by 58 South Hill LLC to utilize the properties owned by Matthews Revocable Trust and CGT Properties 2 LLC, located beside Cracker Barrel, for a convenience (food)

store greater than 3,000 square feet selling motor fuels. The motion passed 7 to 1, with 1 abstain by Councilor Smith.

VI. ADMINISTRATIVE REPORTS

A. Consent Agenda

1. Minutes

- a. May 13, 2024 Special Meeting**
- b. May 13, 2024 Regular Meeting**
- c. May 23, 2024 Special Meeting**

2. Monthly Financial Report

Krystle Connell submitted the financial report as follows:

General Fund	- \$ 6,237,936.21	Total Investment Accounts	- \$27,669,248.47
Water and Sewer Fund	- 1,533,510.78	Total Police Dept. Savings	- \$ 47,455.67
Cemetery Fund	- 19,731.45	Total Taxes Due Thru 5/31/24	- \$ 366,906.83
Total in Checking	- \$ 7,791,178.44	(Real Estate and Personal Property, all years)	

A motion was made by Councilor Honeycutt, second by Councilor Feggins-Boone, to approve the consent agenda. The motion carried unanimously.

B. Items for Approval

1. Town Manager Report

a. FY24-25 Budget Adoption and Appropriation

Keli Reekes reported a Public Hearing was held on Monday, May 13, 2024 at 7:00 p.m. to hear comments regarding the Town’s proposed budget and proposed rates and fees for FY24-25.

The proposed General Fund budget is \$16,305,762, the proposed Water and Sewer Fund budget is \$13,618,226, the proposed Cemetery Fund budget is \$4,000 and the proposed Housing Rehabilitation Project budget is \$919,050. Planned General Fund capital expenditures are \$4,586,217 and planned Water and Sewer capital expenditures are \$9,097,079.

Councilor Taylor asked if the organizational chart included in the FY24-25 Adopted Budget Draft was considered a legal part of the budget adoption. After Mrs. Reekes confirmed that it was not a requirement, Councilor Taylor requested it be removed from the document and from formal budget adoption.

A motion was made by Councilor Moody, second by Councilor Taylor, to adopt the proposed ordinance imposing and levying taxes within the Town upon real property, personal property, and machinery and tools for tax year beginning July 1, 2024; and further, to adopt and appropriate by ordinance the FY24-25 budget, effective July 1, 2024, to include the removal of the

organizational chart from the FY24-25 Adopted Budget document. The motion passed via **roll-call vote** as follows:

Councilor Feggins-Boone-Aye
Councilor Honeycutt-Aye
Councilor Luster-Aye
Councilor Smith-Aye

Councilor Hardee-Aye
Councilor Jordan-Aye
Councilor Moody-Aye
Councilor Taylor-Aye.

b. Small Purchase Policy Updates

Mrs. Reekes informed Council that upon consultation with the Town Attorney, changes to the Small Purchase Policy are recommended as it relates to local vendor utilization. Recommended changes include the removal of the following section in the current policy:

Local Vendor Utilization

To support local businesses while also ensuring procurement of quality goods and services at competitive prices, staff with purchasing authority are encouraged, when practical, to solicit price quotes from vendors located in or in the vicinity of South Hill.

The price quote of a vendor located in or near South Hill may, for sound reasons, be accepted even when such quote is not the lowest quote. If a local vendor quote that is not the lowest quote is accepted the Department/Division head shall make a written notation of the reason for such determination and attach it to the purchase order. Examples of sound reasons may include the availability for service after procurement or a nominal difference between the local vendor quote and other quotes.

A revised Small Purchase Policy to include the recommended changes was included in the agenda packet for review and consideration.

A motion was made by Councilor Moody, second by Councilor Honeycutt, to adopt the revised Small Purchase Policy as presented effective immediately. The motion carried unanimously.

c. South Hill Volunteer Fire Department (SHVFD) Service Agreement

Mrs. Reekes stated Council had the opportunity to finalize the SHVFD Service Agreement beginning July 1, 2024 during closed session.

A motion was made by Councilor Moody, second by Councilor Honeycutt, to approve the service agreement with SHVFD in the form presented to Council at tonight's June 11, 2024 meeting with the addition of annual certifications for insurance and 501(c)3 status, providing for the contribution for vehicle maintenance on similar terms for that provided for property maintenance, and confirmation of corporate authority on behalf of the fire company. The motion carried unanimously.

2. Police Report

a. Adoption of Ordinance for SHPD: Title 46.2 and Article Two, 18.2-266 – 18.2-273, Code of Virginia of 1950 as Amended

Police Chief Stuart Bowen reported that the legislature changes statutes from time to time. He requested Council adopt the ordinance incorporating the legislative changes to Title 46.2 and Article Two, 18.2-266 through 18.2-273 (criminal and traffic sections).

A motion was made by Councilor Moody, second by Councilor Taylor, to adopt the ordinance for the Police Department (Title 46.2 and Article Two, 18.2-266 through 18.2-273, Code of Virginia as amended). The motion passed via **roll-call vote** as follows:

Councilor Feggins-Boone-Aye	Councilor Hardee-Aye
Councilor Honeycutt-Aye	Councilor Jordan-Aye
Councilor Luster-Aye	Councilor Moody-Aye
Councilor Smith-Aye	Councilor Taylor-Aye.

3. Municipal Services Report

a. FY25 Fuel Bid Award

C.J. Dean reported that on May 31, 2024, the Town received sealed bids for fuel for FY25. Parker Oil Company, Inc. submitted a bid for providing fuel for the Town of South Hill's automotive/equipment fleet per advertised Invitation for Bid. Price quotations were requested for four fuel categories. The prices are the dollar amount per gallon above wholesale "rack" as follows:

Fleet:

1. Gasoline- \$ 0.05 (last year \$ 0.05)
2. Ultra Low Sulfur Diesel- \$ 0.06 (last year \$ 0.06)

Delivered:

1. Gasoline- \$ 0.10 (last year \$ 0.10)
2. Low Sulfur Diesel- \$ 0.11 (last year \$ 0.11)

Rack price is the price at which refineries sell fuel to their customers (can include transportation, overhead, and profit to the "spot" price). The fuel spot price is the price that fuel is worth as dictated by the market.

A motion was made by Councilor Hardee, second by Councilor Moody, to award the annual fuel contract to Parker Oil Company, Inc. for the prices per gallon above "rack" as submitted on May 31, 2024. The motion passed 7 to 1, with 1 abstain by Councilor Smith.

b. Mountain Creek Pump Station Electrical Improvements

Mr. Dean reported that on June 3, 2024, the Town received sealed bids for The Mountain Creek Pump Station Electrical Improvements. Elliott Electric, Inc. submitted a bid for providing the labor and materials for the Town of South Hill's Mountain Creek Sewer Pump Station per advertised Invitation for Bid. Bids were Lump Sum price to cover labor and materials removal of old equipment, and installation of the new equipment while completing the work within 120 days from the written Notice to Proceed.

The Total Lump Sum Bid by Elliott Electric, Inc. was \$132,000.00.

A motion was made by Councilor Jordan, second by Councilor Smith, to award the Mountain Creek Pump Station Electrical Improvements to Elliott Electric, Inc. as submitted by

sealed bids on June 3, 2024, of \$132,000.00, and to authorize the Town Manager or her designee to sign all of the necessary paperwork to complete this project. The motion carried unanimously.

C. Reports to Accept as Presented

For efficiency, the following reports for May 2024 were presented as a group to accept as presented.

1. Town Manager Report

a. Facilities Reservation Calendar

Keli Reekes submitted a calendar of activities and reservations at Centennial Park, Parker Park, the South Hill Exchange, and other Town facilities. The calendar is up to date at the time the Council packets are distributed, but it changes frequently as new reservations are made.

b. South Hill Volunteer Fire Department (SHVFD) Report

Chief Vaughan submitted the fire report. He reported the SHVFD responded to 71 total alarms with an average of 15 volunteers present per call. The current volunteer roster is 34. Calls responded to in Town were 32, within the county district were 39, and involving fire were 9. Mutual aid given was 11, and automatic aid received was 25. Training included Tool Lab, Apparatus, Incident Command, and Trench Rescue. Fundraising efforts included the annual letter drive, a local grant for equipment totaling \$1,000, and the sale of 265 Autism Awareness T-shirts to benefit the Bailey Center and SHVFD. Administrative news was shared.

2. Police Report

Chief Bowen submitted the police report. He reported there were 397 activity incidents, 59 reportable criminal offenses, 1,048 calls for service, and \$1,464 property recovered. Other miscellaneous included 3 court hours, 155 training hours, 69 warrants issued, and 6 inoperative vehicles tagged. Administrative news was shared.

3. Municipal Services Report

C.J. Dean submitted the municipal services report on the following:

- pavement replacement
- Plank Road Waterline Project
- completion of fire booster pump station
- reorganization and cleaning of Town Maintenance Shop
- water availability at South Hill Elementary
- continuing education for licensed professional water works operators
- Lead and Copper Inventory
- RedZone Robotics

4. Code Compliance Report

a. Report of Activity

David Hash submitted the report of activity as follows:

Inspections Completed	-	81
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Permits Issued	-	42
Fees Collected	-	\$ 435,220.09
UEZ Exemption	-	\$ 0
Rehab Exemption	-	\$ 0
General Exemption	-	\$ 0
Work Value	-	\$ 85,466,562.00

New businesses included:

- Shys Gifted Hands – 935 W. Atlantic Street (flea market vendor)
- Community Veterinary Clinics – (itinerant merchant)
- Farmhouse Butchery – 100 W. Danville Street (butcher shop)

b. Dilapidated Properties

Along with the list of completed dilapidated properties, a report on the status of approximately 58 dilapidated properties was also presented.

5. Human Resources Report

Kristine Martin submitted the human resources report on the following:

a. Accomplishments/Updates

- One Digital worked with Anthem on the benefits renewal process which went well. A cost increase of no more than \$40,000 is expected.
- FY25 budget savings will be used to absorb the cost increase associated with VRS’s implementation of the Hybrid Retirement Plan Deferred Compensation Rate Separation, which changes the employer contribution and rate schedule. These changes are expected to cost the Town no more than \$25,000.
- Staff has spent several weeks learning and building out NEOGOV to streamline the performance evaluation management program and HR processes in one integrated system. The training phase with managers will begin later this month.

b. Training/Meetings

- Katie Best in Finance recently attended a Customer Service Ambassador Program hosted by the Chamber of Commerce.
- Anna Cratch and Kristine Martin attended a Canva training hosted by the South Hill Chamber of Commerce.
- Ryan Goode of the Wastewater Treatment Plant attended and completed training for his Commercial Driver’s Endorsement – B Driver’s License.
- Ryan Powell of the Wastewater Treatment Plant recently completed requirements through the Department of Professional and Occupational Regulations for his level III Wastewater Operator’s License.

A motion was made by Councilor Honeycutt, second by Councilor Moody, to accept the reports as presented. The motion carried unanimously.

VII. APPOINTMENTS

A. South Hill Board of Zoning Appeals (BZA)

Mayor Marion reported that the BZA appointment of Tommy Zincone expires June 30, 2024. Mr. Zincone has been contacted and agrees to serve another five-year term beginning July 1, 2024 if Council so desires.

A motion was made by Councilor Feggins-Boone, second by Councilor Luster, to recommend the reappointment of Tommy Zincone to another five-year term on the BZA commencing July 1, 2024 and ending June 30, 2029. The motion carried unanimously.

B. South Hill Planning Commission

Mayor Marion reported the South Hill Planning Commission appointment of Steven Stanley expires July 10, 2024. Mr. Stanley has been contacted and agrees to serve another four-year term beginning July 11, 2024 if Council so desires.

A motion was made by Councilor Moody, second by Councilor Hardee, to reappoint Steven Stanley to another four-year term on the South Hill Planning Commission commencing July 11, 2024 and ending July 10, 2028. The motion carried unanimously.

VIII. OTHER BUSINESS

Councilor Honeycutt expressed concern over the removal of the Business Development Manager position and stated by eliminating this position it is detrimental to the Town of South Hill. He further requested a work session be held in July to discuss the future of the business development department.

A motion was made by Councilor Honeycutt, second by Councilor Hardee, to authorize the Mayor and Town Manager to schedule a work session with all of Council to discuss the future of the Business Development Manager position in July 2024 that works well with all schedules. The motion passed via **roll-call vote** as follows:

Councilor Feggins-Boone-Aye	Councilor Hardee-Aye
Councilor Honeycutt-Aye	Councilor Jordan-Aye
Councilor Luster-Aye	Councilor Moody-Aye
Councilor Smith-Aye	Councilor Taylor-Aye.

IX. ADJOURNMENT

There being no further business matters before the South Hill Town Council, Mayor Marion adjourned the meeting at 9:23 p.m.

VALIDATION

Minutes approved this ____ day of _____, 20____.

Krystle R. Connell, Interim Town Clerk

Dean Marion, Mayor