

Minutes of a regular meeting of the Town Council of the Town of Marion, Virginia held in the Council Chambers of the Municipal Building on June 7, 2010 at 7:00 p.m.

PRESENT: Mayor David P. Helms; Jane Hale, Mel Leaman, Buford Cregger, Suzanne Jennings, Eugene Hendrick, Bill Weaver, and James Gates, Council Members; Town Attorney Mark Fenyk; Town Manager John E. B. Clark, Jr.; Town Engineer/Assistant Town Manager Cecil Hicks; Police Chief Michael Roberts; Police Sergeant Wes Thomas; Purchasing Agent Billy Hamm; Community & Economic Development Director Ken Heath; Town Clerk/Director of Finance Susan Clark.

INVOCATION/PLEDGE TO THE FLAG: Ken Heath rendered the invocation. Girl Scouts Morgan Ellis, Susan Owens, Savannah Fender and Julia Gray led the Pledge to the Flag.

VISITORS: Council Member Elect Jim Barker, John Graham, Jeff Spickard, Paul Holcomb, Gregory Woods, Bud Williams, Rita Owens, Susan Owens, Dennis Ellis, Sonya Ellis, Morgan Ellis, Doug Fender, Donna Fender, Savannah Fender, Holly Thomas, Libby Mitchell, Anne Burton, Sandy Gray, John Gray, Julia Gray, Roy Evans, Steve Hill, Scott Freeman, Susie Ellis, Joe Ellis, Dwayne Cregger, Billy Buchanan,

MINUTES: Upon motion of Mrs. Jennings, seconded by Mr. Weaver and vote of 7 AYES and 0 NOES, the minutes of the meeting held May 17, 2010 were approved as written. Messrs Weaver, Hendrick, Cregger, Leaman, Dr. Gates, Mrs. Hale and Mrs. Jennings voted affirmatively.

SMYTH COUNTY CLERK OF THE COURT: John Graham, Clerk, swore in Mrs. Jennings, Mr. Leaman and Mr. Barker to begin their terms of office July 1, 2010. Mayor Helms explained that Mr. Owens was not present due to the untimely death of his daughter and offered his condolences on behalf of the Town Council and Town Staff.

RESOLUTIONS CONGRATULATING MORGAN ELLIS, SAVANNAH FENDER, JULIA GRAY AND SUSAN OWENS ON OBTAINING THEIR GIRL SCOUT GOLD AWARDS: Mayor Helms read each Resolution and presented each Girl Scout with her Resolution. Upon motion of Mr. Weaver, seconded by Mrs. Jennings and vote of 7 AYES and 0 NOES, the Resolutions were approved.

PUBLIC HEARING: 2010- 2011 BUDGET PROPOSAL: Dr. Gates gave a short synopsis of the proposed 2010-2011 Budget and added that the Town has had to rely on savings to balance the budget for the past several years. Mr. Clark explained that the proposed budget includes four increases. These include a 5% increase to water as well as sewer and an increase from 5% to 7% on Meals Tax and an increase from 4% to 6% on Lodging Tax. The upgrades to the Sewer Treatment Plant are estimated to be between \$750,000 to \$1,000,000. Some unexpected expenses for Fiscal Year 2010 were the repairs to the Municipal Building roof and the damages to the E. Chilhowie Street Bridge. Mr. Clark added that there was a decrease in sales tax and water and sewer revenue due to the poor economy.

Roy Evans, Commonwealth's Attorney, submitted a request for assistance from the Town in the amount of \$2,131.00. This amount is based on the General District Court Revenues in FY 2010. Scott Freeman, Smyth-Wythe Airport Commission, spoke on behalf of the Commission requesting an additional \$4,700 for the Airport so that the weather system can be replaced. This amount is a ¼ of the cost which is approximately \$19,000 and is the 20% that the airport would be required to pay. The estimated cost of the new system would be approximately \$90,000 to \$95,000, with the State contributing 80%. If the system is not replaced commercial aircraft cannot land. This results in a loss of revenue for the Airport.

Susie Ellis, owner of the General Francis Marion Hotel, Board member of the Lincoln Theatre and Board Member of Marion Downtown Association, gave thanks to the Town for its support and contributions. Paul Holcomb, President of the Lincoln Theatre, thanked the Town for the support of the Lincoln Theatre. Billy Buchanan, Song of the Mountains, thanked the Town for the support and funding. Song of the Mountains is soliciting other sources for help in funding and has several more shows added for the season. He added that the State is funding \$50,000 and that the Heartwood opening in Abingdon will cause the Town to have a greater impact on local and regional tourism and can move forward on tourism projects.

Gregory Woods, Executive Director of Southwest Virginia Emergency Medical Services Council, explained that the Council is a regional, non-profit organization and leads the region in EMS training. The

organization provides annual recertification for local and regional EMT's. Most of the funding is from the State and this is the first year that the organization is asking for Town assistance. Mr. Woods thanked Council for their consideration in giving to his organization.

Upon motion of Dr. Gates, seconded by Mr. Leaman and vote of 7 AYES and 0 NOES, \$6,831.00 in the proposed 2010-2011 Budget is to be moved from the equipment fund, \$2,131.00 to Commonwealth's Attorney and \$4,700.00 to Airport Weather System. The SWVA EMS Council request is already included in the proposed budget.

Mayor Helms closed the Public Hearing.

**SPECIAL SERVICE DISTRICT PROPOSED EXPANSION:** Mr. Heath stated that of the surveys returned to him, there was not the required 75% vote to expand the district. Upon motion of Dr. Gates, seconded by Mr. Weaver and vote of 7 AYES and 0 NOES, this item was dropped from the agenda.

**CDBG OLD SCHOOL HOUSE PROJECT:** Mr. Heath reported that all projects are moving in a timely manner and that the façade is almost complete as well as the sidewalk construction. Decisions will soon need to be made on the best use for the School House.

**PEARL/BUCHANAN CDBG PROJECT:** Mr. Clark updated Council on the project and informed them that the Thomas house is near completion and contracts on three additional houses have been signed. The Town has also submitted a proposal to purchase the Russell property.

**PROPOSAL FROM MEDLEY ENTERPRISE, LLC ON GRINDING BRUSH:** Mr. Clark reported that he had spoken to Mr. Medley and that the price of \$300.00 per hour is the same whether they remove the brush from site or leave it. Mr. Cregger added that burning the brush is the most cost effective for the Town. The Town does not have the extra funds at this time to hire Medley's and a suggestion is for the Town employees to burn the brush more often, to eliminate heavy smoke in the area. Upon motion of Mrs. Jennings, seconded by Mr. Weaver and vote of 7 AYES and 0 NOES, this item was dropped from the agenda.

**TOWN OF MARION FIREWORKS DISPLAY:** Mr. Heath informed Council that the expense for the fireworks was \$8,100 for last year's display and that the Town received \$3,700 in donations. Dr. Gates stated that \$4,000 is in the budget and the event is enjoyed by the citizens of the Town and surrounding areas.

**FARMER'S MARKET STAGE:** Mr. Heath stated the \$150,000 in grant funds have been approved to build a stage and restrooms at the market. Up to \$10,500 must be applied to architectural fees. Upon motion of Mrs. Jennings, seconded by Mr. Weaver and vote of 7 AYES and 0 NOES, up to \$10,500 is approved for hiring Bill Huber to do architectural design on the project in order to receive the grant funding.

Mr. Heath added that June 19 will be a big event at the farmers market. "Save our Food the Smyth County Farm Bureau Way".

**HOLSTON HILLS COUNTRY CLUB WATER ADJUSTMENT REQUEST FOR FILLING POOL:** Upon motion of Dr. Gates, seconded by Mrs. Jennings and vote of 7 AYES and 0 NOES, this item was referred to the Water Committee.

**VIRGINIA RETIREMENT SYSTEM CHANGES EFFECTIVE JULY 1, 2010:** Mrs. Clark explained that VRS has now added a second plan to the system. Employees hired after July 1, 2010 will be affected, current employees are not affected by Plan 2. Upon motion of Dr. Gates, seconded by Mrs. Jennings and vote of 7 AYES and 0 NOES, this item was referred to the Personnel and Finance Committees.

**REQUEST FROM SMYTH COUNTY SCHOOL BOARD ON EXTENSION OF STAGE STREET:** Upon motion of Mr. Weaver, seconded by Mrs. Jennings and vote of 7 AYES and 0 NOES, this item was referred to the Street Committee.

**INDUSTRIAL APPRECIATION DAY-TOWN OF SALTVILLE:** Mayor Helms informed Council that Saltville's Industrial Appreciation Day is scheduled for Thursday, June 10, 2010 at 2:00 P. M.

RESOLUTION IN SUPPORT OF THE PROPOSED DOWNTOWN COURTHOUSE RENOVATION PLAN: Mr. Heath read the Resolution. Upon motion of Mrs. Jennings, seconded by Dr. Gates and vote of 7 AYES and 0 NOES, the resolution was adopted.

SOUTH MAIN STREET WATER LINE PROJECT: Jeff Spickard, The Lane Group, submitted change order #4 and stated that the total project cost is \$225,561.54. Final payment request is in the amount of \$14,487.14, grant funds remaining are \$265.00. Engineering services are in the amount of \$825.00. Upon motion of Mrs. Jennings, seconded by Mr. Hendrick and vote of 7 AYES and 0 NOES, Council approved Change Order #4, and final payment of South Main Street Water Project in the amount of \$14,487.14 for the Contractor and \$825.00 for the Engineer costs.

DECREASE IN WATER/SEWER RATE REQUEST: Mr. Steve Hill stated that as a small business owner of a car wash, the proposed water and sewer rate increase could be detrimental to his business. He stated that his water/sewer bill exceeds the states average. Mr. Hill's business is located in the county which has a higher rate than in the Town and he is on Smyth County Sewer. Mr. Hill is requesting that he be given the same rate as the businesses that are within the Town limits. Dr. Gates stated that he did not have to pay Town taxes or purchase a Town Business License since his business is located in the County. Mr. Clark added that the Town does not have a descending rate on water and sewer usage. Upon motion of Mr. Leaman, seconded by Mrs. Jennings and vote of 7 AYES and 0 NOES, this item was referred to the Water Committee.

MARION MURAL PROJECT: Holly Thomas explained that she plans to paint the mural on the old Herb House property. It will not be painted on site and will be applied by heat gun technique. The mural will be 30 feet wide by 20 feet high with a clear seal. Ms. Thomas explained that this is a not for profit project and hopes her mural will cause others to bring more mural projects to Marion. Ms. Thomas is requesting a donation from the Town in the amount of \$1,000, to help in the expenses associated with rental of a two man lift. Ms. Thomas plans to have the mural completed by October, 2010 and plans to include a community bulletin board with the mural. Ms. Susie Ellis added that Marion downtown has accepted this project and other entities are being approached for funding. This can be treated as a façade grant because it is for a private entity. Upon motion of Dr. Gates, seconded by Mr. Leaman and vote of 7 AYES and 0 NOES, this item was referred to the Budget Committee.

REQUEST TO CLOSE A PORTION OF GORDON AVENUE: Ann Burton and Libby Mitchell asked that a portion of Gordon Avenue be vacated. Mr. Hendrick stated that the Street Committee had met and the portion that is proposed to be vacated is a right of way for Holston Hills Country Club. A Public Hearing must be set and adjoining property owners be notified. Upon motion of Mrs. Jennings, seconded by Mr. Leaman and vote of 7 AYES and 0 NOES, this item will be continued and Public Hearing will be advertised.

PROPOSED 2010-2011 BUDGET: Mr. Hendrick stated that Round the Mountains and the Crooked Road were omitted from the Community Development Budget and \$1.00 per capita was added to the Tourism Center. It would be more cost effective if the Round the Mountains and Crooked Road were left in at \$2,500, instead of increasing the Tourism Center \$6,349.

STRIPING: Mr. Hendrick and Mr. Cregger commended the Town employees on doing an excellent job striping the town's streets.

PEARL AVENUE/RUSSELL PROPERTY: Mr. Fenyk stated that he is in the process of doing a title search on the Pearl Avenue property owned by Mr. Russell. He stated that Marion Redevelopment & Housing Authority holds a Deed of Trust on the property and judgments are also against the property.

HEARTWOOD CENTER: Mr. Heath informed Council that Heartwood Center would present a 5-7 minute video highlighting downtown Marion. This is a \$7,000 project with a 50/50 match and the deadline to accept is July 15, 2010. Upon motion of Dr. Gates, seconded by Mr. Leaman and vote of 7 AYES and 0 NOES, this item was referred to the Finance Committee.

RIVERBEND PARK DAMAGES: Chief Roberts commended Sergeant Wes Thomas on his hard work in pursuing leads and ultimately apprehending those that were vandalizing the park.

POLICE DEPARTMENT VACANCY: Chief Roberts explained that he would like to advertise and take applications to fill the open position at the Police Department due to the fact that if the person hired is not certified, school begins the end of July, 2010.

CLOSED SESSION: Pursuant to Code of Virginia 1950, as amended, Section 2.2-3711(4) and section 2.2-3711(7) and upon motion of Mrs. Jennings, seconded by Mr. Weaver and vote of 7 AYES and 0 NOES, Council entered into Closed Session to discuss business matters. Mrs. Jennings moved that Town Council return to Open Session and that it be known that only those matters legally exempted from Open Session and identified in the motion were discussed during the Closed Session. Mr. Weaver seconded the motion. Council approved the motion by a vote of 7 AYES and 0 NOES, Mrs. Jennings, Mrs. Hale, Messrs Weaver, Leaman, Cregger, Hendrick and Dr. Gates voted affirmatively.

OFFER FROM STATE FARM INSURANCE ON EAST CHILHOWIE STREET BRIDGE: Upon motion of Dr. Gates, seconded by Mr. Leaman and vote of 7 AYES and 0 NOES, the Town will settle with State Farm Insurance on the amount agreed upon.

Upon motion, duly seconded and vote of 7 AYES and 0 NOES, the meeting was adjourned.

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Mayor

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Clerk