

June 18, 2007

**MINUTES**

**TOWN OF PENNINGTON GAP  
COUNCIL MEETING  
June 18, 2007  
MUNICIPAL BUILDING**

**RECORD OF ATTENDANCE:**

**7:00 P.M.**

Mayor: Jimmy V. Smallwood  
Council: Larry Fish  
Keith Harless  
Connie P. Nunley  
Mike Reuille  
C. R. Wynn

Town Attorney: Donnie Williams  
Town Manager: Tina M. Rowe  
Town Clerk: Angela K. O'Dell  
Town Treasurer: Karen Maggard

Pennington Gap Police  
Dept.: Acting Chief Barry Cottrell  
Lane Engineering: Bobby Lane  
Jeff Cochran

Powell Valley News: Sonya Baumgardner  
Kingsport Times News: Walter Littrell

Davenport & Co., Inc.: David Rose

Citizens: None present

1. Invocation was given by Larry Fish.
2. Larry Fish led the Pledge of Allegiance.
3. Mayor Jimmy V. Smallwood called the meeting to order at 7:00 p.m.
4. Larry Fish made a Motion to approve the Agenda. The Motion was seconded by C. R. Wynn with vote as follows:

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Larry Fish	Aye
Keith Harless	Aye
Connie P. Nunley	Aye
Mike Reuille	Aye
C. R. Wynn	Aye

5. Larry Fish made a Motion to approve the Council Meeting Minutes of 5/21/07 and Mike Reuille seconded the Motion with vote as follows:

Larry Fish	Aye
Keith Harless	Aye
Connie P. Nunley	Aye
Mike Reuille	Aye
C. R. Wynn	Aye

6. Bond Refinancing - David Rose of Davenport & Co., Inc., Richmond, Virginia, addressed Council regarding refinancing the five (5) outstanding Rural Development loans. The Town is currently paying an interest rate of 5%. Davenport has offered to explore, on a risk-free basis, other local and regional bank funding. If the Town decides to take advantage of this offer, there would be no risk to the Town. If successful in obtaining a 4.25% interest rate, the Town could save \$425,000.00 and shorten the outstanding loans from 24 years to 22 years without increasing the existing payments. Mr. Rose said he would like to put together a request for proposals to see what the other banks are willing to do. This would be done with no obligation to accept the proposal and no fee until accepted by the Town. If the Town agrees, he could present reviewed loan figures to Council by July 16, 2007, and could potentially close the loan by August 10, 2007.

7. Police Department

A. Monthly report was given by Acting Chief Barry Cottrell. He reported that the Town currently has five (5) officers. Brandon Eads is the newest hired. The department has also switched internet services.

8. Water Plant & Distribution System/Sewer Plant & Collection System/Engineering Projects

A. Lane Engineering project(s) update - Jeff Cochran

1. Lee Theater Project - Tobacco Commission Grant - see attached report. A Motion was made by C. R. Wynn to amend the task order to authorize \$2,500.00 to be reallocated in the existing task order from environmental to bidding/negotiation and construction. The Motion was seconded by Larry Fish with vote as follows:

Larry Fish	Aye
Keith Harless	Aye
Connie P. Nunley	Aye
Mike Reuille	Aye



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Larry Fish	Aye
Keith Harless	Aye
Connie P. Nunley	Aye
Mike Reuille	Aye
C. R. Wynn	Aye

B. Lead & Copper Monitoring Plan - PSA Request - Tina Rowe stated that Lee Co. PSA had previously asked permission to piggy back on the Town's lead and copper monitoring plan. Mrs. Rowe contacted VDH's Dean Henderson and Gary Garrison. Dean advised PSA they could do it, but after research found out that PSA would have to do a survey regardless and now would not need to piggyback with Town.

C. Wholesale Water Contracts - Mrs. Rowe advised Council that Woodway Water Authority has requested an increase of their water allocation. They have asked for an additional 75,000 gal/day for the Sticklelyville project. This would bring their total water allocation to 550,000 gal/day. Jeff Cochran said this should not pose a problem. C. R. Wynn made a Motion to allocate an additional 75,000 gal/day to Woodway Water Authority and add the necessary cost increase to the base rate. The Motion was seconded by Mike Reuille with vote as follows:

Larry Fish	Aye
Keith Harless	Aye
Connie P. Nunley	Aye
Mike Reuille	Aye
C. R. Wynn	Aye

9. Town Attorney/Treasurer Reports

A. VDOT - Resolution to sell property - Donnie Williams informed Council that VDOT has agreed to pay the appraised amount for the property. When asked about an exit ramp, he said there would be no exit ramp to the remaining property the Town owns, but there would be an access road. Mike Reuille made a Motion to sell the property to VDOT for the appraised amount of \$149,609.00. C. R. Wynn seconded the Motion with vote as follows:

Larry Fish	Aye
Keith Harless	Aye
Connie P. Nunley	Aye
Mike Reuille	Aye
C. R. Wynn	Aye

B. Animals & Fowl Ordinance - Mr. Williams advised Council that there is a copy of a proposed Animal & Fowl Ordinance in their packets. He asked if they want to allow a provision for keeping animals if in appropriate lots. Council discussed the difficulty of enforcing the ordinance if there was such a provision. C. R. Wynn suggested Mr. Williams draft an ordinance to completely prohibit animals and fowl with no provision for appropriate lots. Keith Harless suggested allowing animals with an acreage limit of one or more acres.

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Connie P. Nunley recommended tabling this subject until the Zoning Ordinance is more developed. The item was tabled.

C. Adopt 2007/2008 Budget and Virginia State Code - Treasurer Karen Maggard presented Council with two different budget scenarios. One to show a 4% meals tax and the other showed a 5% meals tax. A Motion was made by Mike Reuille to advertise and set a Public Hearing to raise the meals tax to 5% with 1% of the total tax designated for emergency services. The Motion was seconded by C. R. Wynn with vote as follows:

Larry Fish	Aye
Keith Harless	Aye
Connie P. Nunley	Aye
Mike Reuille	Aye
C. R. Wynn	Aye

A Public Hearing for a 5% Meals Tax was set for July 16, 2007 at 6:30 p.m.

C. R. Wynn made a Motion to approve the 2007/2008 Budget as published. Larry Fish asked if the budget included a 6% wage increase and was advised that it did. Mr. Fish said he would like to second that Motion if Mr. Wynn would accept a friendly amendment to include looking at the wage rate scale before the 2008 budget cycle. Mr. Wynn agreed to accept the friendly amendment with vote as follows:

Larry Fish	Aye
Keith Harless	Aye
Connie P. Nunley	Aye
Mike Reuille	Aye
C. R. Wynn	Aye

Larry Fish made a Motion to adopt Va. State Code with Amendments and C. R.

Wynn

seconded that Motion. Vote as follows:

Larry Fish	Aye
Keith Harless	Aye
Connie P. Nunley	Aye
Mike Reuille	Aye
C. R. Wynn	Aye

D. Meals Tax was discussed with Budget.

10. Public Works/Leeman Field/Misc

A. Monthly Report was distributed for review.

B. Broadband grant - Tina Rowe set a public hearing for July 12, 2007 at 12:00

p.m.

for public information purposes.

C. Monument at Leeman Field to honor Lee Athletic Association - Mayor Jimmy

V.

Smallwood asked the Town Clerk to check Council Minutes for previous years to see what the Town agreed to do on this.

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D. Planning Grant for Main St. buildings - Mrs. Rowe said this was discussed previously.

E. Leeman Field Lease Agreement/July 4<sup>th</sup> - Tina M. Rowe advised that the Town Police Officer has decided he does not want to lease the caretaker's house. She also said someone has offered to paint the roof of the exhibit barn for \$7.00 per hour. Council said they would decide this later.

F. Organizational Meeting date - Council set the Organizational Meeting for July 5, 2007 at 7:00 p.m.

11. Council Committee Reports

Mike Reuille reported that Dr. Payman is happy with the reduction of the bird population near the cell tower.

C. R. Wynn said Council needs to act on the Davenport & Co. proposal for bond refinancing. Mr. Wynn made a Motion to authorize Davenport & Co., Inc. to pursue loan funding with no obligation pending auditor approval. Mike Reuille seconded the Motion with vote as follows:

Larry Fish	Aye
Keith Harless	Aye
Connie P. Nunley	Aye
Mike Reuille	Aye
C. R. Wynn	Aye

Connie P. Nunley said the Parks and Recreation Committee recommends painting the exhibit barn roof after the July 4<sup>th</sup> celebration.

12. Larry Fish made a Motion to approve the bills paid and to be paid. C. R. Wynn seconded the Motion with vote as follows:

Larry Fish	Aye
Keith Harless	Aye
Connie P. Nunley	Aye
Mike Reuille	Abstain
C. R. Wynn	Aye

13. A. At 8:40 p.m., Connie P. Nunley made a Motion to go into closed session pursuant to Va. Code Section 2.2-3711A6 for discussion or consideration of the investment of public funds where competition or bargaining is involved. The Motion was seconded by Larry Fish with vote as follows:

Larry Fish	Aye
Keith Harless	Aye
Connie P. Nunley	Aye
Mike Reuille	Aye
C. R. Wynn	Aye

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A Motion to come out of closed session was made at 9:06 p.m. by Larry Fish and seconded by C. R. Wynn. Vote as follows:

Larry Fish	Aye
Keith Harless	Aye
Connie P. Nunley	Aye
Mike Reuille	Aye
C. R. Wynn	Aye

Roll call was taken to verify that nothing was discussed in closed session other than the issue stated:

Larry Fish	Aye
Keith Harless	Aye
Connie P. Nunley	Aye
Mike Reuille	Aye
C. R. Wynn	Aye

B. At 9:05 p.m., Larry Fish made a Motion to go into closed session pursuant to Va. Code Section 2.2-3711A.1 for discussion, consideration, or interviews of prospective candidates for employment and assignment, appointment, promotion, performance, demotion, salaries, disciplining, or resignation of employees. The Motion was seconded by C. R. Wynn with vote as follows:

Larry Fish	Aye
Keith Harless	Aye
Connie P. Nunley	Aye
Mike Reuille	Aye
C. R. Wynn	Aye

At 9:35 p.m. a Motion was made by Larry Fish to come out of closed session. C. R. Wynn seconded the Motion with vote as follows:

Larry Fish	Aye
Keith Harless	Aye
Connie P. Nunley	Aye
Mike Reuille	Aye
C. R. Wynn	Aye

Roll call was taken to verify that nothing was discussed during closed session other than the issue stated:

Larry Fish	Aye
Keith Harless	Aye
Connie P. Nunley	Aye
Mike Reuille	Aye
C. R. Wynn	Aye

Larry Fish made a Motion to advertise for a police patrolman position and C. R.

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Wynn seconded that Motion. Vote as follows:

Larry Fish	Aye
Keith Harless	Aye
Connie P. Nunley	Nay
Mike Reuille	Aye
C. R. Wynn	Aye

The Motion passed with a vote of 4 to 1.

Connie P. Nunley made a Motion to re-advertise for the position of Police Chief, but the Motion failed for lack of a second.

14. C. R. Wynn made a Motion to recess until July 5, 2007 at 7:00 p.m. The Motion was seconded by Larry Fish with vote as follows:

Larry Fish	Aye
Keith Harless	Aye
Connie P. Nunley	Aye
Mike Reuille	Aye
C. R. Wynn	Aye

Time of recess: 9:40 p.m.

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MAYOR JIMMY V. SMALLWOOD

ATTEST:

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ANGELA K. O'DELL, TOWN CLERK

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