



**SOUTH HILL TOWN COUNCIL**  
**REGULAR MEETING MINUTES**  
**MONDAY, JUNE 9, 2008 AT 7:00 PM**

The regular monthly meeting of the South Hill Town Council was held on Monday, June 9, 2008 in the Council Chambers of the South Hill Municipal Building located at 211 South Mecklenburg Avenue in South Hill, Virginia.

**1. CALL TO ORDER**

Honorable Mayor Earl O. Horne called the regular meeting to order at 7:00 p.m.

**2. INVOCATION**

Mayor Horne rendered the invocation.

**3. ROLL CALL**

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

**A. Council Members**

Lillie Feggins-Boone	M. B. "Millie" Bracey	Gregg Harper
J. Woodrow "Woody" Kidd	Mike Moody	C. Leroy Sasser

Council members Chad J. Barbour and William R. Gregory were not present at the meeting.

**B. Staff in Attendance**

Kim Callis, Town Manager	Anna Cratch, Town Clerk
Julie Hancock, Human Resources Mgr.	Charles Hudson, Code Compl. Official
Norman Hudson, Police Chief	Heidi Porter, Finance Director
Bill Wilson, Public Works Dir.	

**4. APPROVAL OF MINUTES –MAY 12 AND 29, 2008**

**A motion was made by Councilman Harper, second by Councilman Moody,** to dispense with the reading of the minutes from the regular meeting held on May 12, 2008 and the special meetings held on May 29, 2008, since all Council members had received copies prior to the meeting, and approve as submitted by Anna Cratch. Motion carried unanimously.

**5. SERVICE AWARDS**

Kim Callis presented an award and commended Kenneth Callahan with Public Works for his dedication and 10 years of service to the Town effective June 25, 2008.

Norman Hudson presented an award and commended Lance Thomas with the Police Department for his dedication and 5 years of service to the Town effective June 9, 2008.

## 6. PUBLIC HEARINGS

### A. Heidi Porter – Proposed Amendments to the Meals and Lodging Tax Codes

Heidi Porter opened the Public Hearing for comments for and against the proposed amendment to Section 78-164 of the South Hill Town Code, which increases the Meals Tax from 4½ % to 5½ %, and to Section 78-181, which increases the Lodging Tax from 4½ % to 5½ %. The additional Meals and Lodging Tax is to pay debt service on the 2008 GO Bond for the Colonial Theatre and other infrastructure. The Public Hearing was advertised in the South Hill Enterprise on May 25 and 28, 2008.

In answer to a question from Councilman Harper, Councilwoman Bracey stated that once the debt service is taken care of, the taxes will stay at 5½ % for other infrastructure expenses.

There were no speakers in favor of or against the proposal.

**A motion was made by Councilwoman Bracey, second by Councilman Sasser,** to approve the amendment which increases the Meals Tax from 4½ % to 5½ % under Section 78-164 of the Code of the Town of South Hill effective July 1, 2008. A **roll-call vote** was requested and voiced as follows:

Councilman Barbour-Absent	Councilwoman Feggins-Boone-Aye
Councilwoman Bracey-Aye	Councilman Gregory-Absent
Councilman Harper-Aye	Councilman Kidd-Aye
Councilman Moody-Aye	Councilman Sasser-Aye.

**A motion was made by Councilman Kidd, second by Councilman Sasser,** to approve the amendment which increases the Lodging Tax from 4½ % to 5½ % under Section 78-181 of the Code of the Town of South Hill effective July 1, 2008. A **roll-call vote** was requested and voiced as follows:

Councilman Barbour-Absent	Councilwoman Feggins-Boone-Aye
Councilwoman Bracey-Aye	Councilman Gregory-Absent
Councilman Harper-Aye	Councilman Kidd-Aye
Councilman Moody-Aye	Councilman Sasser-Aye.

## 7. CODE COMPLIANCE OFFICIAL'S REPORT

Charles Hudson presented his report of activity for the month of May 2008 as follows:

Inspections Completed	-	50
Permits Issued	-	28
Fees Collected	-	\$ 2,328.88
UEZ Exemption	-	\$ Ø
Rehab Exemption	-	\$ Ø
General Exemption	-	\$ Ø
Work Value	-	\$ 157,725.00
Jobs Completed	-	26

A motion was made by Councilman Harper, second by Councilman Kidd, to approve the report of the Code Compliance Official for the month of May 2008 as submitted by Charles Hudson. Motion carried unanimously.

**8. POLICE CHIEF’S REPORT**

**A. Police Report**

Norman Hudson presented his police report for the month of May 2008. Chief Hudson informed Council there was a total of 213 arrests, 692 complaints, and 496 call types in May. He presented the following administrative news:

- Bernie Puryear instructed Crime Scene Practicals during the basic school at the training academy.

A motion was made by Councilman Sasser, second by Councilman Harper, to approve the report of the Police Department for the month of May 2008 as submitted by Chief Hudson. Motion carried unanimously.

**B. Adoption of Ordinance for Police Department: Title 46.2 and Article Two, 18.2-266 – 18.2-273, Code of Virginia of 1950 as amended**

Councilman Sasser explained that the legislature changes statutes from time to time. He requested Council to adopt an ordinance incorporating the legislative changes to Title 46.2 and Article Two, 18.2-266 through 18.2-273 (criminal and traffic sections). Adoption will allow the Police Department to get their fines back from the court.

A motion was made by Councilman Sasser, second by Councilman Kidd, to adopt the attached ordinance for the Police Department. Motion carried unanimously.

**9. FINANCE DIRECTOR’S REPORT**

Heidi Porter submitted the following report for the month of May 2008:

**A. Monthly Financial Report**

Ms. Porter submitted the financial report for month ended May 31, 2008 as follows:

General Fund	-	\$4,395,838.57	Investment Account	-	\$1,231,802.89
Water and Sewer Fund	-	<101,520.22>	2002 G.O. Bond	-	\$ 119,514.70
Cemetery Fund	-	50,754.79	Certificate of Deposit	-	\$ 80,000.00
CDBG2 Halifax	-	<u>454.67</u>	Total Police Dept. Savings	-	\$ 9,133.43
Total in Checking	-	\$4,345,527.81	Total Past Due Taxes All Yrs.-	\$	66,954.95

In reference to a statement by Councilman Kidd, Heidi Porter commented that the Water and Sewer Fund will become positive because the DOC check has been received.

**A motion was made by Councilwoman Bracey, second by Councilman Moody,** to approve the financial report for month ended May 31, 2008 as submitted by Heidi Porter. Motion carried unanimously.

**B. Credit Card Resolution**

Ms. Porter presented Council with a proposed resolution, which grants authority to the Mayor, Town Manager, Director of Finance and Town Clerk to execute documents related to the Town's Credit Card Accounts. The resolution changes the credit card accounts from BB&T to First Citizens Bank.

**A motion was made by Councilman Harper, second by Councilwoman Feggins-Boone,** to adopt the First Citizens Bank Credit Card account resolution authorizing the Mayor, Town Manager, Director of Finance and Town Clerk to execute pertinent credit card account documents. Motion carried unanimously.

**C. Automatic Bank Drafts**

Ms. Porter reported that the Town will be offering the option of automatic bank drafts to all utility customers effective June 30, 2008. The first draft will be on July 15, 2008. Ms. Porter presented Council with a copy of the letter and authorization agreement that was sent with the May utility bills. The application is also available on the Town's website. Staff has already received seventy-nine agreements for the new service.

This agenda item was for informational purposes only; therefore, no Council action was taken.

**D. Increase in Landfill Tipping Fees**

Ms. Porter informed Council that staff has just been notified that the Southside Regional Public Service Authority will be increasing the Landfill Tipping Fees from \$29.50 per ton to \$35.50 per ton effective July 1, 2008. Due to this, related revenues and expenses are projected to increase by \$35,000. This will be reflected in an amended budget. The increase will affect commercial customers.

**A motion was made by Councilman Sasser, second by Councilman Kidd,** to authorize a Public Hearing to be held on July 14, 2008 to propose changing the current Landfill Tipping Fee from \$29.50 per ton to \$35.50 per ton and to amend the budget to increase revenues and expenses \$35,000. Motion carried unanimously.

**10. CITIZENS TO ADDRESS COUNCIL**

**A. Park View High School Students**

Mayor Horne acknowledged the presence of and welcomed the following students from the Park View High School government class:

Ashley Harris                      Tessa Neal

**B. Dale Daniel – On behalf of the South Hill Church of God, Picnic at Centennial Park on June 22**

On behalf of the South Hill Church of God, Dale Daniel addressed Council to request permission for the South Hill Church of God to hold a picnic at Centennial Park on June 22, 2008.

**A motion was made by Councilman Kidd, second by Councilman Moody,** to authorize the South Hill Church of God to hold a picnic on June 22, 2008 from 11:30 AM to 4:00 PM at Centennial Park. Motion carried unanimously.

**C. Willis Harris – Family Reunion at Centennial Park on July 12**

Willis Harris addressed Council to request permission for a family reunion at Centennial Park on July 12, 2008.

**A motion was made by Councilwoman Feggins-Boone, second by Councilman Kidd,** to authorize a family reunion to be held on July 12, 2008 from 10:00 AM to 6:00 PM at Centennial Park. Motion carried unanimously.

**11. COMMITTEE REPORTS**

There were no committee reports.

**12. APPOINTMENTS**

**A. Roanoke River Service Authority (RRSA)**

Mayor Horne reported that the three-year terms of John E. Crowder and Alternate Glenn Allen on the RRSA will expire on June 30, 2008.

**A motion was made by Councilman Kidd, second by Councilwoman Bracey,** to reappoint John E. Crowder and Alternate Glenn Allen to the RRSA. The three-year terms commence July 1, 2008 and end on June 30, 2011. Motion carried unanimously.

**B. South Hill Market Square Committee**

Mayor Horne reported that the two-year terms of the following members of the South Hill Market Square Committee will expire on June 30, 2008: Kim Callis, Nancy Fleshood, Sandra H. Kinker, Frank Malone, Dean Marion and Jerry Taylor. Sandra H. Kinder and Dean Marion do not wish to serve again. The Market Square members would like to recommend the appointments of Ken Chinault, Denis Medlin and Dan Sowers to the committee as well.

**A motion was made by Councilman Sasser, second by Councilman Kidd,** to reappoint Kim Callis, Nancy Fleshood, Frank Malone and Jerry Taylor to the South Hill Market Square Committee along with the new appointments of Ken Chinault, Denis Medlin and Dan Sowers. The two-year terms commence July 1, 2008 and end on June 30, 2010. Motion carried unanimously.

**C. Southside Planning District Commission (SPDC)**

Mayor Horne reported that the terms of Lillie Feggins-Boone and Earl O. Horne as Elected Officials on the SPDC will expire on June 30, 2008.

A motion was made by Councilman Kidd, second by Councilwoman Bracey, to reappoint Lillie Feggins-Boone and Earl O Horne to the SPDC. Since Elected Officials are appointed for the term they are elected, Councilwoman Feggins-Boone's term will expire on June 30, 2010; Mayor Horne's term will expire on June 30, 2012. Motion carried unanimously.

**13. TOWN MANAGER'S REPORT**

Kim Callis submitted the following report for the month of May 2008:

**A. Reschedule October Council Meeting**

Mr. Callis reported that the Columbus Day holiday falls on October 13, 2008, the date of the regularly scheduled Council meeting. He requested the meeting be rescheduled for Tuesday, October 14. Upon Council approval, the change in the meeting date will be announced.

A motion was made by Councilman Kidd, second by Councilman Harper, to reschedule the October 13, 2008 Town Council meeting to Tuesday, October 14, 2008 at 7:00 p.m. due to the Columbus Day holiday. Motion carried unanimously.

**B. FY08-09 Budget Adoption and Appropriation**

Mr. Callis informed Council that a Public Hearing was held on May 12, 2008 regarding the Town's budget, tax rates, and water and sewer rates for FY09. Mr. Callis presented Council with the proposed budget and rates that were advertised in the South Hill Enterprise as follows:

**PROPOSED BUDGET FY09**

<b><u>General Fund Expenditures:</u></b>	<b><u>Approved FY 2007-2008</u></b>	<b><u>Proposed FY 2008-2009</u></b>
Mayor and Town Council	\$ 73,100	\$ 74,130
Finance and Administration	460,190	399,150
Town Manager	181,430	178,680
Public Works Director	98,060	118,700
Non-Departmental	270,000	230,000
Police Department	1,657,073	1,668,000
Fire Department	327,840	354,650
Building Code Official	137,910	137,840
Street Maintenance	1,243,860	1,143,640
Sanitation	464,480	488,660
Fleet Maintenance	267,980	316,740
Buildings and Grounds	141,790	194,670
Parks & Recreation	504,540	531,800
Library	25,500	27,500
Community Development	<u>736,201</u>	<u>3,339,040</u>
Total	\$6,589,954	\$9,203,200
 <b><u>General Fund Revenues:</u></b>	 \$6,589,954	 \$9,203,200

**Water and Sewer Fund**

**Expenditures:**

Water Distribution	\$1,886,195	\$2,016,605
Sewer Collection	872,955	604,445
Wastewater Treatment Plant	<u>585,190</u>	<u>678,810</u>
Total	\$3,344,340	\$3,299,860

**Water and Sewer Fund**

<b><u>Revenues:</u></b>	\$3,344,340	\$3,299,860
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**Cemetery Fund**

<b><u>Expenditures:</u></b>	\$ 0	\$ 0
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**Cemetery Fund**

<b><u>Revenues:</u></b>	\$ 0	\$ 0
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**PROPOSED TAX RATES AND WATER RATES FY09  
TOWN OF SOUTH HILL**

<b>Tax Rate</b>	<b><u>FY 2008</u></b>	<b><u>FY 2009</u></b>
Real Estate	\$.34/100	\$.34/100
Personal Property	\$1.05/100	\$1.05/100
Machinery & Tools	\$.38/100	\$.38/100 (nominal rate)
	\$.30/100	\$.30/100 (effective)
Bank Franchise	\$.80/100	\$.80/100
Meals and Lodging Tax	4.5%	5.5%
Communications Sales Tax	5%	5%
Minimum BPOL	\$30	\$30
Contracting BPOL	\$.16/100	\$.16/100
Retail BPOL	\$.14/100	\$.14/100
Repair, Personal Bus. Svcs. BPOL	\$.30/100	\$.30/100
Financial, Real Estate, Prof. BPOL	\$.40/100	\$.40/100
Wholesale BPOL	\$.05/100	\$.05/100
Peddlers BPOL	\$500	\$500
Landfill Tipping Fee	\$25/ton	\$29.50/ton
<b>Water Rates</b>		
<10,001 gal. (in town)	\$ 5.12	\$ 5.12
<10,001 gal. (out of town)	\$10.24	\$10.24
10,001 to 50,000 gal. (in town)	\$ 4.77	\$ 4.77
10,001 to 50,000 gal. (out of town)	\$ 9.54	\$ 9.54
50,001 to 100,000 gal. (in town)	\$ 3.52	\$ 3.52
50,001 to 100,000 gal. (out of town)	\$ 7.04	\$ 7.04
>100,000 (in town)	\$ 3.27	\$ 3.27
>100,000 (out of town)	\$ 6.54	\$ 6.54
<b>Sewer Rates</b>		
	100% x Water Rate	100% x Water Rate
Minimum Bill for Residential W&S	\$ 5.00	\$ 5.00
Minimum Bill for Commercial W&S	\$35.72	\$35.72

**A motion was made by Councilwoman Bracey, second by Councilman Harper,** to adopt the FY08-09 budget, tax rates, and water and sewer rates as advertised in the South Hill Enterprise and presented at the May 12, 2008 Town Council meeting. A **roll-call vote** was requested and voiced as follows:

Councilman Barbour-Absent  
Councilwoman Bracey-Aye  
Councilman Harper-Aye  
Councilman Moody-Aye

Councilwoman Feggins-Boone-Aye  
Councilman Gregory-Absent  
Councilman Kidd-Aye  
Councilman Sasser-Aye.

**A motion was made by Councilman Harper, second by Councilman Kidd,** to appropriate funds related to the FY08-09 budget, effective July 1, 2008. Motion carried unanimously.

### **C. Softball and Baseball Tournaments**

Mr. Callis reminded Council that the South Hill Dixie Youth League will be hosting three state softball tournaments in July. The Darlings, Belles and Debs tournaments will all begin on July 18 at the Parker Park softball complex. At least 24 teams will be participating from around Virginia.

The following week, the South Hill Babe Ruth League will be hosting the Senior Babe Ruth regional tournament. Registration will begin July 23 with a reception to follow in Centennial Park. Play will begin July 24 featuring 10 teams from Virginia to Florida.

This agenda item was for informational purposes only; therefore, no Council action was taken.

### **D. Twin Oaks Resolution**

Mr. Callis reported that in early 2008, the Town was awarded two multi-year Community Development Block Grants totaling \$1,400,000 for the Twin Oaks II Community Improvement Project. Mr. Callis presented Council with a resolution required by the DHCD to accept and appropriate funds related to this project and to authorize staff to execute related documents.

**A motion was made by Councilman Kidd, second by Councilman Harper,** to adopt the resolution as presented which accepts and appropriates DHCD block grant funds related to the Twin Oaks II Community Improvement Project and authorizes the Town Manager to execute pertinent documentation necessary for successful implementation of the project. Motion carried unanimously.

## **14. HUMAN RESOURCES MANAGER'S REPORT**

Julie Hancock presented the following administrative news for the month of May 2008:

### **1) New Employees**

- John Kniolek, Public Works, was hired as a seasonal worker for Parks.

### **2) Education**

- Robert Owens and Bill Wilson, Public Works, attended a Traffic Signalization Workshop on May 27.

- Robert Owns, Nelson Ratcliffe, Allen Elliott and Scott Smith, Public Works, renewed their Pesticide Applicator Certificates.
- Jon Taylor, Fire Department, has completed the following four additional courses towards an Associate Degree in Fire Science: Legal Aspects of Fire Service, Principles to Sociology, Occupational Safety and Health, and Fire and Risk Analysis.

**3) Insurance**

- Providers of the Town’s employee insurance presented FY09 offerings to all employees on May 30. Individual meetings for any employee who wishes to make changes to their coverage took place June 4 and 5.

This agenda item was for informational purposes only; therefore, no Council action was taken.

**15. PUBLIC WORKS DIRECTOR’S REPORT**

Bill Wilson submitted the following report for the month of May 2008:

**A. Award of FY09 Fuel Contract**

Bill Wilson informed Council that the Town received two bids on June 3, 2008 for the Town’s FY09 Fuel Contract. Bids were based on a variable cost per gallon above the “rack” price (the price a dealer will pay at the terminal for a large quantity; rack price is subject to daily change). The bid results were as follows:

FUEL	SADLER BROS. OIL CO.	PARKER OIL CO.
GASOLINE (FLEET)	\$0.0549	\$0.0530
GASOLINE (DELIVERED)	\$0.1185	\$0.1030
ULTRA LOW SULFUR DIESEL (FLEET)	\$0.0589	\$0.0560
LOW SULFUR DIESEL (DELIVERED)	\$0.1185	\$0.1080

The bid award is based on the lower cumulative “rack” price differential relative to the estimated volume of each product purchased (1-45%; 2-1.5%; 3-43.5%; 4-10%) as follows:

Cumulative “Rack Price Differential (RPD)” = 1. RPD(0.45) + 2. RPD(0.015) + 3. RPD(0.435) + 4. RPD(0.10)

CUMULATIVE “RACK” PRICE DIFFERENTIALS	
SADLER BROS. OIL CO.	\$0.063954
PARKER OIL CO.	\$0.060555
	\$0.003399

**A motion was made by Councilman Harper, second by Councilman Moody, to approve the low bid and award the FY09 fuel contract to Parker Oil Company, Inc. Motion carried unanimously.**

**16. OLD BUSINESS**

There was no old business.

**17. NEW BUSINESS**

There was no new business.

**18. EXECUTIVE SESSION**

**Personnel – § 2.2-3711 (A)(1)**

Pursuant to Personnel – § 2.2-3711 (A)(1) of the Code of Virginia and on **motion** of **Councilman Kidd** and **second** of **Councilman Harper**, the South Hill Town Council entered into **Executive Session** to discuss personnel matters. The members voted unanimously to enter into said Executive Session.

There was no action taken in Executive Session on the personnel matters.

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

**WHEREAS**, Section 2.2-3711 (A)(1) of the Code of Virginia requires a certification by this Council that such executive meeting 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 executive meeting to which certification resolution applies, and (2) only such business matters as were identified in the motion convening the executive meeting were heard, discussed or considered by the Council.

**A motion was made by Councilman Harper, second by Councilman Kidd**, to approve **Resolution 231**, dated June 9, 2008, and return to **Open Session**. All members present voted affirmatively.

**19. OPEN SESSION**

**A motion was made by Councilman Sasser, second by Councilwoman Feggins-Boone**, on the Personnel matter to approve a 5% increase to the salary for Police Chief, Norman Hudson (from \$70,300 to \$73,900) effective July 1, 2008. Motion carried unanimously.

**A motion was made by Councilman Sasser, second by Councilman Harper**, on the Personnel matter to approve a 5.3% increase to the salary for Town Manager, Kim Callis (from \$75,000 to \$79,000) effective July 1, 2008. Motion carried unanimously.

**20. ADJOURNMENT**

There being no further business matters before the South Hill Town Council, Mayor Horne adjourned the meeting at 7:52 p.m.

Respectfully submitted by Anna B. Cratch.

Signed:

Attest:

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Earl O. Horne, Mayor

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Anna B. Cratch, Town Clerk