

**MINUTES
REGULAR COUNCIL MEETING
MONDAY, DECEMBER 21, 2015
TOWN HALL – 6:00 P.M.**

Council Members:

Kyle Fletcher-Mayor
Kenneth Holbrook
Greg Bailey
Tim Boardwine
Harry Kelly-Absent
Jason Kilgore
Monty Salyer

Allen Gregory-CVTimes

Others Present:

Debora Baca – Clerk/Treasurer
Julie Hensley – Town Attorney
Earl Carter – Public Works Director
Bo Phillips – Police Chief
Bob Harrison – IDA Chairman
Kathy Stewart – Main Street Director
Cody McElroy – Mattern & Craig
Vearl Hileman – Property Owner
Aubrey Ward – Masonic Lodge

The meeting was called to order by Mayor Fletcher at 6:00 p.m.

Mayor Fletcher asked to move Old Business Item #1 to follow closed session. Councilman Holbrook moved to approve the agenda as amended. Councilman Kilgore seconded the motion and it passed unanimously.

Rosalie Gilchrist talked to Council about hiring ARC to film and air council meetings. She reviewed the proposal that was sent in the council packets, noting the different times the meetings would air, totaling twelve times in a month. The proposed cost is \$200 per month and works out to about \$16.00 for each time it airs. Ms. Gilchrist talked about how filming helps to keep voters informed. Councilman Salyer inquired about the number of viewers, stating his concern about how few people in our town actually get the government channel. Ms. Gilchrist said they have 53,000 viewers, naming several areas in Russell County that get their service if they have Shentel cable. She further commented that if you have Shentel, they have access to Wise County through the government channel in Wise. Mayor Fletcher suggested this matter be referred to the Budget Committee to be considered in the upcoming year. Ms. Gilchrist said they would consider an offer and would like to be notified when the Budget Committee makes a decision.

Vearl Hileman asked the Council to consider placing two hour parking signs in front of his two buildings, the Cornerstone building and the Celebration Center building. Mr. Hileman pointed out that the problem exists mostly on his side of Broad Street because there are businesses and residential apartments, where on the other side, it is primarily business. Councilman Kilgore said Councilman Kelly has talked with VDOT about this issue. The plan is to wait until the downtown street project is underway to see how the streets will be lined and what VDOT will approve. He further noted that the current alignment is not very efficient and the town will address this during the project.

Kathy Stewart, Main Street Director, said that they also have safety concerns about Broad Street because it is difficult for two cars to pass with the current parking situation. She informed Council that they are working with Frazier & Associates to develop a wayfinding map and

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signage. The planning and design is being paid for by Main Street. Ms. Stewart said she, Terry Vencil, Pam Vance, Lou Wallace, and Seth McGlothlin (a park ranger at the Breaks Interestae Park), attended a Gateway Community Workshop sponsored by the National Conservation Fund and the National Endowment for the Arts. The purpose of the workshop was to promote tourism in St. Paul, Dante, Haysi, and the Breaks Interstate Park. This group is jointly working on a tourism project and they hope to be able to receive funding from the Appalachian Regional Commission. Ms. Stewart advised that St. Paul participated in the Main Street "Shop Small" campaign. Also, the Lyric Project play production of "Yes, Virginia" was very successful and she expressed her appreciation of the cooperation from the school. The most recent fundraiser for the Lyric Project was a dinner at the Methodist Church, and bingo is still the first Saturday of each month.

Bob Harrison offered a brief update on the Willis Building Project. He reviewed all of the funding sources expected to complete the 7.3 million dollar project. Mr. Harrison has talked with Joy Rumley of DHCD and they expect to close very soon on the IRF grant for \$600,000 and the ARC grant for \$500,000. The expected historical tax credits will total 1.9 million. VCEDA has approved a one million dollar loan. The developer will be investing \$409,000, and the remaining funds is expected to come from a loan with Virginia Community Capital for 2.25 million dollars. The outstanding amount of \$540,000 is pending with the Virginia Tobacco Commission.

Mayor Fletcher made the following announcements:

- 1) The office will be closed at noon on Wednesday, December 23rd, and all day Thursday, December 24th and Friday, December 25th in observance of the Christmas holiday. Gray Hill trash pickup will be picked up on Thursday instead of Friday. Council is invited to the employee Christmas brunch on Wednesday at 11 a.m.
- 2) The town has closed on the purchase of the Dye property and the town will arrange a meeting with the current tenants. All rents payments will be made to the town until the buildings are vacated.

A motion was offered by Councilman Holbrook to approve the minutes as presented. The motion was seconded by Councilman Kilgore and approved 5-0 by roll call vote.

Councilman Boardwine moved to approve the Consent Agenda. The motion was seconded by Councilman Holbrook and unanimously approved. Last month, Chief Phillips was asked to get estimates on an all-terrain vehicle to be used by first responders. He provided each council member with a copy of the estimates he received. Mayor Fletcher said this would be referred to the Budget Committee. Chief Phillips invited everyone to a soup lunch prepared by the Police Department for Stonebriar residents. Councilman Salyer commended the department for doing the luncheon.

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Next, Aubrey Ward presented the Mayor, Town Council, and Employees of the Town of St. Paul a Community Builders Award. On behalf of Master Tom Steffey and Masonic Lodge #343, this award was given in recognition of outstanding service to the community and to show their appreciation for making St. Paul a better place to live. He thanked everyone for their continued assistance throughout the year.

Old Business:

Item #1 will be discussed after the closed session.

Cody McElroy asked that Item #2 be tabled until next month because he is still waiting on a response from Dominion. Councilman Holbrook moved to table the water intake issue. The motion was seconded by Councilman Kilgore and carried unanimously.

Ms. Baca advised that the development agreement with Creative Boutique Hotels was tentatively approved pending review by the town attorney and Greg Gilbert. There were a couple of minor changes and council was sent the final draft copy to review. She asked Council to consider approval of the final draft tonight. A motion was made by Councilman Kilgore, seconded by Councilman Boardwine, to approve the final draft of the development agreement. There were no questions or comments, and Mayor Fletcher asked for a roll call vote: Salyer-Aye; Bailey-Abstain; Holbrook-Aye; Boardwine-Aye; Kilgore-Aye; Kelly-Absent. The motion passed 4-0 with 1 abstention and 1 absent.

Ms. Baca asked Council to consider approval to accept the \$600,000 IRF and \$500,000 ARC grant and/or forgivable loan. A motion was made by Councilman Boardwine to accept the grant/forgivable loan from the DHCD Industrial Revitalization Fund and from the Appalachian Regional Commission. The motion was seconded by Councilman Kilgore and carried by unanimous vote.

New Business:

One of the conditions of the one million dollar loan to the St. Paul IDA for the Willis Building Project loan from the Virginia Coalfield Economic Development Commission (VCEDA) is a moral obligation from the Town of St. Paul. Ms. Baca said she has talked with Bond Counsel Dennis Jones and the Town Attorney. The town cannot do a "moral obligation bond". However, the town can offer a "moral obligation resolution". She researched the language for such a resolution and included a draft in the council packets for their review. Jonathan Belcher of VCEDA has reviewed and approved the final draft. The resolution was always reviewed by Rob Jones, Project Administrator. Ms. Baca read the resolution and a copy is attached to these minutes. Following a brief comment about whether the loan will be made to the IDA or to Creative Boutique Hotels, Bob Harrison said he is sure it will be a pass through loan to the IDA. A motion was made by Councilman Holbrook, seconded by Councilman Salyer, to approve the "Moral Obligation Resolution to VCEDA". A roll call vote was taken: Salyer-Aye; Bailey-Aye; Holbrook-Aye; Boardwine-Aye; Kilgore-Aye; Kelly-Absent. The motion passed 5-0.

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A motion was offered by Councilman Kilgore to purchase a one-half page ad in the amount of \$80.00 for the Coeburn Middle School yearbook. The motion was seconded by Councilman Salyer and passed unanimously.

Mayor Fletcher said he has had inquiries about selling the black jeep that used to be Earl Carter's vehicle. Councilman Boardwine made a motion to advertise that bids will be accepted on the black jeep. The motion was seconded by Councilman Kilgore and unanimously approved.

A motion was made by Councilman Holbrook to enter into Closed Session to discuss Legal under VA Code Section 2.2-3711(A)(7). The motion was seconded by Councilman Boardwine and a roll call vote was taken: Salyer-Aye; Bailey-Aye; Holbrook-Aye; Boardwine-Aye; Kilgore-Aye; Kelly-Absent.

Councilman Holbrook moved to enter back into Open Session, certifying that the only matter discussed in Closed Session was Legal under VA Code Section 2.2-3711(A)(7). The motion was seconded by Councilman Boardwine and a roll call vote was taken: Kelly-Absent; Kilgore-Aye; Boardwine-Aye; Holbrook-Aye; Bailey-Aye; Salyer-Aye. The motion passed 5-0.

Councilman Salyer offered a motion to approve the liquidated damages as specified in the correspondence between Mattern & Craig and Frizzell Construction, and that the damages be withheld from the appropriate pay request. The motion was seconded by Councilman Boardwine and a roll call vote was taken: Salyer-Aye; Bailey-Aye; Holbrook-Aye; Boardwine-Aye; Kilgore-Aye; Kelly-Absent. The motion carried 5-0.

A motion was made by Councilman Holbrook to approve Change Order #10 for the Wastewater Treatment Plant Project, as presented by the Mattern & Craig representative. The motion was seconded by Councilman Boardwine and a roll call vote was taken: Salyer-Aye; Bailey-Aye; Holbrook-Aye; Boardwine-Aye; Kilgore-Aye; Kelly-Absent. The motion carried by a 5-0 vote.

There being no further business, a motion was made by Councilman Kilgore, seconded by Councilman Boardwine to adjourn. The motion passed unanimously and Mayor Fletcher adjourned the meeting.

Mayor

Clerk