

**TOWN OF BIG STONE GAP, VIRGINIA
REGULAR COUNCIL MEETING**

**COUNCIL CHAMBERS
505 E. 5TH STREET, SOUTH
BIG STONE GAP, VA**

March 9, 2021

6:30 PM

***As a result of the State of Emergency declared by Virginia Governor Ralph Northam on March 12, 2020 by Executive Order No. 51, by Wise County Virginia Executive Michael Hatfield on March 19, 2020 and by the Council of the Town of Big Stone Gap Virginia effective March 20, 2020, due to the public health emergency resulting from the spread of the COVID-19 virus, the public meeting scheduled for March 9, 2021 at 6:30 pm, is to be conducted electronically as authorized by Resolution 16-2020 adopted on September 8, 2020.**

***This Electronic Meeting was conducted via the GO TO MEETING platform and was made available to Council Members, Town Staff, and the public by conference call. All votes called for were roll call votes.**

AGENDA ITEM 1

Call to Order and Roll Call

Mayor Johnson called the meeting to order.

Those Present: Hon. Gary Johnson, Mayor
 Hon. Nancy Bailey, Vice-Mayor
 Hon. Robert Bloomer, Councilman
 Hon. Kent Gilley, Councilman *
 Hon. Tyler Hughes, Councilman
 Hon. Crystal Lyke, Councilwoman
 Hon. Aaron McKinney, Councilman
 *Mr. Gilley joined the meeting at 6:35 pm

Staff Present: Mr. Stephen Lawson, Town Manager
 Ms. Amanda L. Hawkins, Town Clerk/Treasurer
 Mr. Charles Bledsoe, Town Attorney
 Mr. Steve Hamm, Chief of Police

AGENDA ITEM 2

INVOCATION by Mayor Gary Johnson.

AGENDA ITEM 3

ADOPT OR AMEND THE AGENDA

Motion by Bloomer, seconded by Hughes, that the Agenda for the Regular Council Meeting of March 9, 2021 be adopted as presented. Motion resulted as follows:

ROLL CALL VOTE:

**Ayes: Bailey, Bloomer, Hughes, Johnson, Lyke, McKinney
Nayes: None Abstain: None Absent: Gilley**

AGENDA ITEM 4 COMMENTS FROM CITIZENS

No comments.

AGENDA ITEM 5 GENERAL ORDER OF BUSINESS

- a. **Approval of minutes of Council Workshop (Electronic) of February 2, 2021.
Recommended Action: Approve as presented.**
- b. **Approval of minutes of Regular Council Meeting (Electronic) of February 9, 2021.
Recommended Action: Approve as presented.**
- c. **Departmental Reports for the month of February 2021.
Recommended Action: Received and filed.**
- d. **Treasurer’s Reports for the month of January 2021.
Recommended Action: Received and filed.**

Motion by Bloomer, seconded by Lyke, that the General Order of Business be approved as presented. Motion resulted as follows:

ROLL CALL VOTE:

Ayes: Bailey, Bloomer, Gilley, Hughes, Johnson, Lyke, McKinney

Nays: None Abstain: None Absent: None

AGENDA ITEM 6 DAVENPORT PRESENTATION

Mr. David Rose with Davenport & Company introduced himself and his associates. He thanked Stephen Lawson and Amanda Hawkins for all their help in getting them ready for this presentation.

Mr. Rose said they have served as advisor to the Town for a number of years, especially for long-term debt management. They have reviewed our entire portfolio and determined that all of our various loans total slightly under 10 million dollars of debt outstanding and are held by a variety of lenders: Powell Valley National Bank (PVNB) – 3 loans, Virginia Department of Health (VDH) – 2 loans, Sterling National Bank – 1 loan, and Rural Development (RD) – 1 loan. He said that interest rates have continuously come down since we refinanced in 2016 and he believes we can save some money by refunding at this time.

He noted that there are three independent banks - PVNB, Truist, and Zion Banks - that responded to their inquiries about refunding the Town’s loans. The first is PVNB, who now holds three of our current loans. With this refunding, PVNB would refinance the three current loans they hold, with the option of adding one of the loans currently held by VDH. Key points of their offer are: a fixed interest rate of 2.09% (currently 3.2%), the rate is locked in until the end of April, the ability to repay the loan without penalty, and the refunding will not extend the term lengths of the existing loans and will shorten the length of the fourth loan by three years. All four loans have the same security but refunding will free up the fourth loan from general obligation bonds, which affects our legal debit limit. Bottom line is a savings of \$468,000 savings over the life of these four loans, which is about 30% of our current interest cost.

Another consideration they are exploring is to leave the fourth loan referred to above and loan #5 with VDH, but request VDH to reset the interest rate from the current 3% to somewhere

around 2% or lower for both of the loans they hold. This would result in additional savings for the Town.

He said they would have more definite answers for Council by the end of March about whether VDH is willing to lower the interest rate on both or either loan so we can move forward.

Mr. Rose thanked Council for allowing him to present this offer this evening.

Motion by Bailey, seconded by Lyke, that Council authorize the Town Manager to sign the Refinancing Term Sheet from Powell Valley National Bank to refinance the 2017A Water Revenue Bond, 2017B Water Revenue Bond, and the 2017 Fire Truck Financing, with the option to add a 2013 Revolving Fund Double Barrel Bond to the refinancing package, to lock in the interest rate and terms offered. Motion resulted as follows:

ROLL CALL VOTE:

Ayes: Bailey, Bloomer, Gilley, Hughes, Johnson, Lyke, McKinney

Nays: None Abstain: None Absent: None

AGENDA ITEM 7

TOWN ENGINEER'S REPORT

Mr. Broskey said he has an update on the Membrane Plants. He said they reached out to the Virginia Department of Health (VDH), who we had discussed the project with previously. He said that VDH will research the data they have and get back with us as soon as possible.

AGENDA ITEM 8

TOWN MANAGER'S REPORT

a. Budget Amendment FY2020-21 – CARES Act Funds and Additional Resources

Mr. Lawson asked Council to set a public hearing on this amendment to increase the FY2020-21 revenue and expenses by \$706,708.

Motion by Hughes, seconded by Gilley, that Council authorize a public hearing be held on April 6, 2021 at 6:30 pm to receive public comment on amending the FY2020-2021 budget to increase General Fund revenues and expenses by \$462,278, Water Fund revenues and expenses by \$139,550, and Sewer Fund revenues and expenses by \$104,900, for a total amendment of \$706,708. Motion resulted as follows:

ROLL CALL VOTE:

Ayes: Bailey, Bloomer, Gilley, Hughes, Johnson, Lyke, McKinney

Nays: None Abstain: None Absent: None

b. COVID-19 & Projects Update

Mr. Lawson said we are really making a push to advertise all our special events that we hope will take place once COVID-19 restrictions for outdoor events are revised from a limit of 1,000 people to 30% capacity. We are already planning for our 4th of July festivities.

He said the American Rescue Plan is on the President's desk awaiting his signature. He noted that Wise County is slated to receive \$7.3 million, with the Town's share of those funds estimated at \$400,000.

The Town's Easter Egg Hunt will be on March 27th at three different locations for three different age groups, as well as three different Easter Bunnies so one will be at each event. The younger group (newborn-6) will be at the Carnes Park (the soccer field behind Town Hall) at 9 AM, the middle-aged kids (7-9) will be at Bullitt Park at 10 AM, and the older kids (10-12) will be at Frog Level Park at 11 AM. At present, we have 22 bicycles that have been donated and we will be hiding about 10,000 eggs for the kids.

Mr. Lawson said he has a lunch meeting tomorrow with Little League organizers. They will be able to accommodate 250 people at each field for games. Preliminary numbers indicate there are a lot of young t-ball players, two teams in each of the older groups in baseball, and we are waiting on numbers for softball.

He said there is an August 6th - 8th event that Appalachian Backroads has asked us to partner with them on. It's called the Polaris Slingshot event. There is a group of about 200 people who have rented the Wise Inn, and we've been asked to host a block party for the event on one of those evenings.

Mr. Lawson said he, Amanda Hawkins, and Gary Hampton met with the Suez Company last Thursday. The company does renovations and maintenance on water tanks. The Town has 13 storage tanks in our water system. Four of those tanks will need major renovations in the next three years so they are trying to put a plan together to seek funding to get those four repaired and on a maintenance schedule along with the other nine tanks. Part of their plan is to ensure that while one tank is down for repairs, the other tanks can carry the load so no one is without water during the repairs.

He said we are working with the county and other towns to develop a standard incentive plan throughout all our downtown districts so prospective businesses will have options throughout the county to open a new business.

Mr. Lawson said we received a signed contract from Wells Fargo yesterday on the bank property and we expect to close the deal by late March or early April. We will be finalizing plans to move the Water and Billing Department downtown. This will give our customers the opportunity to make payments using the drive-thru window. He said he hopes the increase in traffic in that area will boost other businesses downtown.

He said we have a full Public Works staff now that two of our employees who were quarantining are back to work, and they are working hard to catch up.

Mr. Lawson said he and Steve Hamm have finalized the traffic route for the Union Half Marathon on March 20th. There are 145 people registered for the race so far, and they will start in groups of 25-30. He said the water stations will be set up at the usual places manned by volunteers and the Big Stone Gap Rescue Squad will follow the runners to Orr Street, where the Appalachia Rescue Squad will take over from there. They will have two-person relay teams this year instead of the usual four-person because of COVID-19. Also, there will be no events following the marathon.

AGENDA ITEM 9

COMMITTEE REPORTS

a. Planning Commission

Motion by Hughes, seconded by Lyke, that Council return the Special Use Permit application submitted by Old Dominion Power relating to the connection of the two power substation locations in Town to the Planning Commission for further research and to gather responses to all questions provided by Council. Motion resulted as follows:

ROLL CALL VOTE:

Ayes: Bailey, Bloomer, Gilley, Hughes, Johnson, Lyke, McKinney

Nays: None Abstain: None Absent: None

AGENDA ITEM 10

COUNCIL COMMENTS AND DISCUSSION

Mr. McKinney said it is nice to see the weather change the last few days.

Ms. Lyke said for everyone to stay safe and hopes they have a wonderful day for the race next week.

Mr. Hughes thanked all the Town employees as well as Amanda and Stephen for all they do.

Mr. Gilley thanked all the employees. He said the refinancing proposal sounds really good.

Mr. Bloomer said for everyone to stay safe and health.

Mrs. Bailey thanked employees, especially public works with the tough week they have had with water leaks. She thanked Stephen and Amanda for their hard work on the refinancing proposal.

Mayor Johnson encouraged Council members to contact Amanda with any comments or questions they have regarding Old Dominion Power’s request for a Special Use Permit for high-voltage power lines. He thanked all our Town crews and Stephen and Amanda for their work on the refinancing proposal.

AGENDA ITEM 11

ADJOURNMENT

ROLL CALL VOTE:

Motion by Lyke, seconded by Bailey, that the meeting be adjourned. Motion resulted as follows:

Ayes: Bailey, Bloomer, Gilley, Hughes, Johnson, Lyke, McKinney

Nays: None Abstain: None Absent: None

Meeting adjourned at 7:18 pm.

Minutes Recorded & Transcribed by
Amanda L. Hawkins–Town Clerk/Treasurer