

The Smithfield Town Council held its regular meeting on Tuesday, January 3rd, 2017. The meeting was called to order at 7:30 p.m. Members present were Mr. T. Carter Williams, Mayor; Mr. Andrew Gregory, Vice Mayor; Mr. Michael Smith, Ms. Connie Chapman, Mr. Randy Pack, Mrs. Denise Tynes and Dr. Milton Cook. Staff members present were Mrs. Lesley King, Town Clerk; Ms. Ellen Minga, Town Treasurer; Mr. William H. Riddick, III, Town Attorney; Mrs. Ashley Rogers, Director of Human Resources; Ms. Judy Winslow, Director of Tourism; Mr. Bill Davidson, Planning Commission Chairman, and Mrs. Amy Musick, Smithfield Center Director. There were five (5) citizens present. The media was represented by Mr. Ryan Kushner of the Smithfield Times.

Mayor Williams – Good evening ladies and gentlemen. Welcome to the Smithfield Town Council meeting of January 3rd, 2017. Thank you all for coming out tonight. I hope everyone had a merry Christmas. I wish everyone a happy New Year in 2017. It is now 7:30 p.m. I would like everyone to stand as we say the Pledge.

All present stood and recited the Pledge of Allegiance to the Flag.

Mayor Williams – We will start off tonight with the Informational Section. We usually have the Manager's Report but the Town Manager is not well this evening. He could not be here. I will also let you know that he has missed one other meeting in his twenty-one (21) years as the Town Manager. He feels really bad for not being here. I think that is a pretty good record. We have Vice Mayor Gregory who will read the Manager's Report for us.

Vice Mayor Gregory – Thank you, Mr. Mayor. We echo your sentiments that we hope the Town Manager gets well soon. The meeting schedule is posted in the agenda. It is pretty standard. There is one meeting that will be cancelled which is the Board of Zoning Appeals. It is cancelled because there were no items for their agenda for January 17th. Committee meetings will be on January 23rd and 24th at 4:00 p.m. On January 17th, there will be a Board of Historic and Architectural Review at 6:30 p.m. Other than that, there are no other items.

Mayor Williams – Thank you, Vice Mayor Gregory. We will now move to Public Comments. Is there anyone who would like to come forward for public comments?

Mr. Tommy Gehring – I live at 215 Cary Street. I just have a couple of questions for the Town Council that seem to have gone unanswered. The first is why is Cary

Street thirty (30) miles per hour and everything else in residential is twenty-five (25) miles per hour. I have grandkids that play in my yard. With it at thirty (30) miles per hour, it means the traffic goes forty (40) miles per hour.

Mayor Williams – I can answer that for you right now if you would like me to. You will have to go to the Virginia Department of Transportation. You will have to go to them. We have already tried it; so good luck.

Mr. Gehring – Okay, thank you. I have been in contact with Wayne Griffin about a couple of concerns at my house. The first is about tree trimming along the road. Some of the trees along the road are going up into the utility lines. He said that he has called different utility companies and they are supposed to get in contact with me. It has been about six (6) months now and I have not heard anything. At one time, I thought they were supposed to do some tree trimming along Cary Street. I know they butchered some on Grace Street; but on Cary Street, I have bunches that are growing into all of the utility lines. Another item that I have been dealing with Wayne about for a little over a year now is the flooding of my property. Across the street is an old water tower. I have been told that it is supposed to be abandoned and that it is not being used anymore. Since I have been told that, my yard still gets flooded and not only from them flushing the tower. Back in the late 1980's when they did the Riverside project; they put a curb and sidewalk across the street. All of the water that goes through that curb drains into my yard. We have been trying to get this resolved and nothing seems to be happening. I have been told that some of the Town Council members have been out there and looked at it. Wayne came out and put a stake in the corner of the yard. There have been some issues because Ms. Crocker's property is behind my house and that is where the right of way is going to the drain underneath Grace Street. I guess I am just trying to get some answers on what is going on. With what he was saying about the way he wanted to do it, I would have to give up a twenty (20) foot easement going across my yard; which means I would not be able to build anything on that lot that is next to my house. It is about a half-acre lot taken up diagonally from where the drain is over to the corner behind Christian Outreach. I could not build anything there. I am just trying to get some answers; trying to find out what the status is. I have been told that different people from the Town Council have seen it and that I would be asked to come to some committee

meeting to discuss all of this. I have not heard anything from anybody. Those are my questions and concerns.

Mayor Williams – Thank you very much. We will stay on top of it and make sure that you get some answers.

Town Attorney – Mr. Mayor, since the Town Manager is not here, I will just chime in a little bit. Mr. Griffin has been working on this. Mr. Gehring has a very valid concern. Every time they dump that tower, it just floods his yard. The town does not have an easement. He has been more than patient with us for a long time. There is a solution which requires an easement and some ditching. We are negotiating with some property owners to try and make that happen. He is right; something needs to happen. Nobody else would stand having their yard completely inundated with water on multiple occasions year after year after year. He is a very patient man and deserves some attention. We have been looking into it. There are some negotiations going on about acquiring some right of way to make that happen.

Mayor Williams – Is there anyone else to speak during public comments? Hearing none, we will move to a Briefing by Dick Grice, Isle of Wight County Board of Supervisors, Smithfield District.

Supervisor Grice – Good evening ladies and gentlemen. I want to bring you up to date on some of the things that have occurred with the Board of Supervisors. In accordance with the contract signed between Isle of Wight County and Smithfield, a Water Task Force has been formed. The Vice Chairman of the Water Task Force is your Vice Mayor, Mr. Andrew Gregory. The minutes will be coming out shortly. We are going back over them. He will see them before they go out. It was a very productive meeting. It got off on the right foot, I think. We are going to be at our next meeting which, I believe, is on January 18th, 2017. It was originally scheduled for January 11th. We are going to bring together all staff and outline all of the water and sewer assets that are owned, under contract, or planned for the future so that we have a comprehensive list to start planning from. It will be a very interesting meeting. At the last meeting, we had very good coverage by the press. It was a good meeting. The Board of Supervisors had a work session on December 1st, 2016. We had an update on the Emergency Communication Radio System project. It continues to move forward. The town may wish to have a pre-budget update from the project staff to ascertain dollar requirements for

participation in this program. There will be equipment and other fees associated with it. I believe you have been briefed on that in the past. You might want to take a look at it pre-budget so that you are prepared to move forward on it. We have some tentative dates; but, it is probably about eighteen (18) months out. It could happen sooner. The county took a look at participating in the HRUBS billing system. It is a sewer system billing program. It was discussed and a request for additional input from staff and the Treasurer's office tabled that particular discussion for now. We had a Noise Ordinance update. It was discussed and continues to be worked on. There is a new welcome sign design for the county that has been approved now. The sign for the south end of the James River Bridge is being produced. After final review and additions once that sign is in, we will make any additional sign purchases to update the signs throughout the county. We would like to look as good coming into the county as Suffolk looks going out of the county. At the Board meeting, for anyone raising cotton, the county has applied for disaster relief through the Virginia Cooperative Extension office. It is estimated that the 2016 crop loss for cotton in the county exceeded 2.4 million dollars. Members of the Board continue to work on upgrading the Board of Supervisor's Bylaws. Two major changes are the addition of a regularly scheduled work session for the first Thursday of each month. The other is that Board committees have been formally included with descriptions in the bylaws. We will have the Board of Supervisors annual organizational meeting on January 5th, 2017 at 11:00 a.m. Sadly, the Aberdeen Farm Special Use Permit for the event center was voted down. The Special Use Permit for the Mr. and Mrs. Mills was tabled with adjustments being requested. Interestingly, both of these centers are located in the Hardy District. Good news, the county bond rating was confirmed as an 'AA' by the Fitch Rating Agency. I think that is outstanding particularly for a county of this size and financial wherewithal. The county is looking into an ordinance on chickens. The discussion was tabled for further review. On that note, I conclude my report. I will be glad to answer any questions.

Councilwoman Tynes – Would you repeat the time of your organizational meeting?

Supervisor Grice – It is January 5th, which is Thursday, at 11:00 a.m. It is only supposed to last for an hour or so.

Councilman Dr. Cook – How long have you tabled the chicken discussion?

Supervisor Grice – It will come up again on January 16th, 2017. We will probably be voting on the chicken situation at that time.

Mayor Williams – Thank you, Mr. Grice. We appreciate your report. Our next item is Council Comments. Would any Council member like to comment on anything?

Vice Mayor Gregory – Thank you, Mr. Mayor. I just wanted to make two (2) brief comments. The first is to echo Mr. Grice's sentiment about the Joint Water and Sewer Task Force. I think it is going to be a good group. The mission of the group is a win/win. You cannot know where you are going without knowing where you are. That is where we are going to start. I am sure that with Mr. Grice's leadership we will be well on our way. My second item is to thank Mrs. Amy Musick for organizing a beautiful groundbreaking for the sports complex this past week. It has been a long time coming. I said at the groundbreaking that the project had more lives than a cat. It has lived and died many times. It was a good feeling to be out there and see dirt finally being moved. My goal and hope is that there will be an endless game of catch between fathers and sons and mothers and daughters out there for many decades to come. I am really looking forward to it.

Councilwoman Tynes – I have a short one on behalf of the Police Committee. I understand that we had a truck in the Town of Smithfield on some of the streets that was not supposed to come through there unless they are a moving truck moving someone out. I think this individual may have been lost. I just wanted to say that the trucker, after it was all over, emailed our Town Manager thanking the town and the police staff for helping him. I happen to know from experience, since my husband is in that business, that a lot of towns are not that friendly to them. They probably would have written them a citation. Thank you, Chief Bowman. I know that our Chief does this with our local Police Department. I have heard it from a lot of other citizens too that they gave them a break or a warning. It is important; but we do not want you to take advantage of that.

Mayor Williams – Are there any other Council comments? Hearing none, we will now move to our Summary of Consent Agenda items. Tonight, we have three (3). Would any Council member like to pull any item for further discussion?

Councilman Pack – Yes sir, Mr. Mayor. I would like to pull item C1 please.

Mayor Williams – Item C1 is pulled so we will start with C2 which is by Councilman Pack.

Councilman Pack – Finance Committee Summary. This item is a motion to adopt new section 1, policy 3.1, and policy 3.4 of the town Personnel Policies. As authorized in our budget this year, we have hired a new Human Resource Director. She has spent a lot of time going through and updating our Personnel Policy to bring us up to speed for 2017. She has some recommendations for us on 3.1 and 3.4. We are recommending approval of this item.

Mayor Williams – Our next item is with our Parks and Recreation Committee Chair, Ms. Connie Chapman. Ms. Chapman was here but she was called back to work. Councilwoman Tynes will explain item C3.

Councilwoman Tynes – Parks and Recreation Summary. This is a motion to approve change order #1 for reduction in site work contract with RAD Sports in the amount of \$101,633.68. This had to do with the turn lane. This amount of money will be removed from their contract at the beginning of the project because we will come in when VDOT approves us to do the turn lane. It is a win/win for the town.

Mayor Williams – We have item C2 and C3 on the Consent Agenda.

Vice Mayor Gregory – I would like to make a motion that we approve item C2 and C3 be approved as presented.

C1. Pulled from Consent Agenda.

C2. Motion to Adopt New Section 1, Policy 3.1 and Policy 3.4 of the Town Personnel Policy.

C3. Motion to Approve Change Order #1 – Reduction in Site Work Contract with RAD Sports.

Councilman Pack – Second.

Mayor Williams - A motion has been made and properly seconded. Roll call vote.

On call for the vote, six members were present. Councilman Smith voted aye, Councilman Dr. Cook voted aye, Councilman Pack voted aye, Vice Mayor Gregory voted aye, Councilwoman Tynes voted aye, and Mayor Williams voted aye. There were no votes against the motion. The motion passed.

Mayor Williams – Now, we will move back up to item C1 with our Finance Committee Chairman, Mr. Randy Pack. This is Invoices Over \$10,000 Requiring

Tourism True-Up.

Councilman Pack – I just wanted to make sure that we are clear on what these are. The first one is the E911 True-Up for \$88,605.95. It is \$27,000.00 under our budgeted amount because in this True-Up they were able to incorporate the Virginia Compensation Board funds. We had asked them to do it and also had asked them to do it in the previous years. The next one is the Tourism True-Up which is over budget by \$10,884.50. They did not include the Virginia Compensation Board in this true-up.

Town Treasurer – It is not Compensation Board funded.

Councilman Pack – I am going to ask our Town Treasurer to go over this. We spoke earlier and perhaps I misunderstood.

Town Treasurer – If you remember, when we received the year end True-Up for tourism, it was over budget by \$10,884.50. We tabled it for further discussion with the county Finance office and the County Administrator. We were supposed to meet with them. We had just set it aside expecting that we might have the same situation when we got the E911 True-Up and we wanted to discuss it all at one time. When the E911 True-Up came in, it was \$27,600.00 below budget because they did apply the Virginia Compensation Board funding against the delegated amount. We were significantly below budget. I think, I brought it up at committee but we did not really decide anything. The two (2) together puts us \$16,800.00 under budget if we decide to go ahead and pay the \$10,884.50 this year. I think the conversation still needs to be had and they are aware. The new County Administrator contacted the Town Manager about that as far as keeping us informed with budget changes throughout the year for those types of situations. Neither Mr. Stephenson nor I were really sure how you felt about it; so we went ahead and put it on the agenda. It is really your decision.

Councilman Pack – Is the \$10,884.50 the amount for the raises that they county gave?

Town Treasurer – I guess that was part of why it exceeded the original budget. We have made payment up to what our budgeted amount was. This is just the remaining amount that has not been addressed.

Councilman Pack – If we were to pay both, we would be \$16,000.00 under budget in rough numbers. The reason that I wanted to discuss this with the Council is because

we had previously decided not to pay the \$10,884.50 or to, at least, go into discussions with the county. We have paid our obligation up to our budgeted amount. Part of that number was from when they had an increase in county salaries and we had no say so in that. It was kind of our sticking point. I would like to open it up for discussion.

Councilman Smith – I would like to approve the E911 True-Up and I would like to revisit this Tourism True-Up one more time. Like I said, I thought we were going to have more conversation with them about it. Have you heard from them, Ms. Minga?

Town Treasurer – I cannot say that I have not heard anything because we actually did not arrange a meeting yet because we had waited on the E911. I believe that the County Administrator did send Mr. Stephenson a letter or contacted him by email asking us to consider making payment of the balance for the Tourism True-Up; since we were getting a significant credit on the E911 True-Up. Mr. Stephenson and I really were not sure how you felt about it. If you still want us to go and have this discussion, we can still arrange the meeting. We just have not done it yet.

Councilman Pack – We are getting a real E911 True-Up because the Virginia Compensation Board helps to fund it and it was adequately shared. It is not like they did anything extra special for us.

Town Treasurer – No. I would assume that E911 salaries went up too; but maybe not as much of a credit as we would have gotten. I guess there are all different ways you can look at it. Either way, just so that you know, our auditors felt like it is an outstanding liability at this point so the full value was booked on last year's financial statements. If we decide not to pay this then the credit for the \$10,884.00 will apply in the 2017 actual instead of for last year. We are going to reflect that liability for last year because the books had to be closed and they have it on their books.

Vice Mayor Gregory – I have a couple of things to say. The first one is that if we decide not to pay it, for the record, this has nothing to do with Council's opinion about tourism's performance. Ms. Winslow and her crew do a phenomenal job. My recollection from committee and my opinion is that we should probably still stand by this at least for now. Withholding the payment gives us the ability to say that we really do need to have a meeting about this. If you go ahead and pay it, you kind of lose your ability to have any leverage whatsoever about obtaining a better process and formula so this does not happen in the future. We want a seat at the table if we are funding half of tourism or

more. We feel like we ought to have better representation about changes to the budget.

I do not think this is the county's fault. I am not blaming anybody. This is the victim of two (2) municipalities having to work together when they are really independent of one another. We have had water and tourism joint agreements. There are just administrative hiccups that happen from time to time. I agree with Councilman Smith. I would like to pay the E911 True-Up. I think, we will ultimately pay the Tourism True-Up bill; but I would like to hold off paying it until we have the ability to have a real conversation with the county.

Town Treasurer – I will pass that along to Mr. Stephenson. I know, right now, they have an interim or acting finance person since Mr. Terry did leave as of December 31st, 2016. I think the plan was for it to be, originally, Mr. Pack, Mr. Stephenson and myself speaking with the County Administrator and Isle of Wight's Finance Director. If they wanted to have a Board member there then they could. We will go ahead and I will talk to Mr. Stephenson and try to initiate that meeting.

Councilman Pack – Perfect. Wonderful. Thank you, Ms. Minga.

Councilman Dr. Cook – I have one thing. For me, it is the principal of the matter. I do not think another municipality should have the ability to raise the budget of our municipality without any conversations. It comes down to the county spending the town's money; that is what it comes down to. I do not think that is right especially without any conversations. I agree with Councilman Smith and Vice Mayor Gregory. I do not think the county should be allowed to do that to us.

Mayor Williams – Well, we were under an interim County Administrator then. We have another person out there now. I think he will work hard to straighten out a lot of things between the county and the town. He has reached out to us. He said that he knew about the problem and that we all needed to talk about it. I think it will get resolved by working with him. I really think he knows the situation and will work with the town to resolve this. Like someone said a moment ago, we will probably pay it anyway so let's give the County Administrator the chance to get it straightened out. If we are going to pay it anyway and it will not be on 2017; it will be on 2016. Is that correct, Ms. Minga?

Town Treasurer – It is already on 2016. If we pay it, it is on last year.

Mayor Williams – But if we do not pay it, it would not be.

Town Treasurer – If we do not pay it, we will be taking the credit in 2017.

Councilwoman Tynes – I have a question for Ms. Winslow. Judy, are you considered an employee of the county or the town?

Tourism Director – I am actually, officially, an employee of the county.

Councilwoman Tynes – So that is why they can give them a raise. It is why you all need to have that meeting to work it out. They need to be one or the other.

Mayor Williams – I think the new County Administrator will be working on that. Coming in like he is coming in, he really has his hands full. This is probably not on the back burner; but somewhere in the middle somewhere. I would like to see us give him the chance to work this thing out. If we are going to pay it anyway, I do not see anything wrong with paying it now. I think we have gotten their attention.

Vice Mayor Gregory – Mr. Mayor, I would like to make the motion that we approve the E911 True-Up to be paid tonight.

Councilman Smith – Second.

Mayor Williams - A motion has been made and properly seconded. Is there any further discussion? Hearing none, roll call vote.

On call for the vote, seven members were present. Councilman Smith voted aye, Councilman Dr. Cook voted aye, Councilman Pack voted aye, Councilwoman Chapman voted aye, Vice Mayor Gregory voted aye, Councilwoman Tynes voted aye, and Mayor Williams voted nay. There was one (1) vote against the motion. The motion passed.

Mayor Williams – The motion passes six (6) to one (1). Thank you. We will now move to the Action Section of the agenda. The first item is a Motion to Accept the Proposal to Relocate the Wombwell House Smokehouse Outbuilding. We will have consideration by Public Buildings and Welfare Committee Chairman, Dr. Milton Cook.

Councilman Dr. Cook – This is an outstanding RFP that we have had on the books for a few months now. We had received a proposal to move the smokehouse only from the complex. It was tabled because I wanted to keep the facilities together in the hopes that something else would work out. No one has been beating our door down even though we offered to drop the price. We spoke about moving ahead with something that we can move and not have to pay for ourselves. Move ahead and allow this smokehouse to be moved as was already presented to us. Is there any discussion?

Councilman Pack – I have a bit of discussion on it. I will need the Town Attorney's help with this. Mr. Mays has come to me and I have kind of helped along with this. He

has come to me, and he not only wants the smokehouse, but he would also like to have the dairy barn. While discussing that with him, I am not sure if we can include it in this one because of the RFP. Can you give us a little guidance on how he could proceed with that if he chose to, Mr. Riddick?

Town Attorney – It seems to me that the appropriate thing to do would be that you can take action on the smokehouse tonight; but if he wants to amend his response to the RFP and supplement it with an additional request then you could consider that at a later date.

Councilman Dr. Cook – He could come to our committee meeting at the end of this month and let us know his intent. Then, we can act on that as we see fit.

Vice Mayor Gregory – I would like to make a motion to accept the proposal from Mr. Mays to relocate the Wombwell House Smokehouse outbuilding.

Councilwoman Tynes – Second.

Mayor Williams - A motion has been made and properly seconded. Is there any further discussion? Hearing none, roll call vote.

On call for the vote, seven members were present. Councilman Pack voted aye, Councilwoman Tynes voted aye, Councilman Smith voted aye, Vice Mayor Gregory voted aye, Councilman Dr. Cook voted aye, Councilwoman Chapman voted aye, and Mayor Williams voted aye. There were no votes against the motion. The motion passed.

Mayor Williams – Our next item is a Motion to Accept the Nominating Committee's Recommendation to Appoint/Reappoint the Expiring Term (01-31-2017) of Ronny Prevatte of the Board of Historic and Architectural Review.

Councilman Dr. Cook – The Board of Historic and Architectural Review has had quite a few new members appointed to it over the past year. I spoke to Mr. Prevatte and he is interested in staying. I think, for the continuity of the BHAR with new members learning the ropes, that we should have some experienced people staying on the Board. Mr. Pack and I would like to make a motion to keep Mr. Prevatte on the Board for this next term.

Vice Mayor Gregory – Second.

Mayor Williams - A motion has been made and properly seconded. Is there any further discussion? Hearing none, roll call vote.

On call for the vote, seven members were present. Councilwoman Chapman voted aye, Councilwoman Tynes voted aye, Councilman Dr. Cook voted aye, Councilman Pack voted aye, Councilman Smith voted aye, Vice Mayor Gregory voted aye, and Mayor Williams voted aye. There were no votes against the motion. The motion passed.

Mayor Williams – Our next item is a Motion to Approve the Town Council Meeting Minutes of December 6th, 2016.

Town Attorney – Mr. Mayor and members of the Town Council, I recommend approval of the minutes as presented.

Vice Mayor Gregory – So moved.

Councilwoman Chapman – Second.

Mayor Williams - A motion has been made and properly seconded. All in favor say aye, opposed say nay.

On call for the vote, seven members were present. Vice Mayor Gregory voted aye, Councilwoman Chapman voted aye, Councilman Pack voted aye, Councilman Dr. Cook voted aye, Councilman Smith voted aye, Councilwoman Tynes voted aye, and Mayor Williams voted aye. There were no votes against the motion. The motion passed.

Mayor Williams – Our next item is New Business. Does anyone have any new business? Hearing none, we will move to Old Business. We have an Update on Windsor Castle Restoration.

Councilman Dr. Cook – I am going to give a presentation on the Windsor Castle Restoration project that we are working on. We have some nice pictures here for everyone to see. To recap what we are looking at doing, we will be restoring the historic manor house and associated outbuildings that are in the historic easement through the state. We are actually mandated to do so. There have been several studies going on about feasibility so we can afford to do it and make it financially feasible to do it. I have a picture of Windsor Castle from the late 1950's or early 1960's. It shows the manor house and the trees and the associated outbuildings. There are two (2) buildings in this picture that are not there now. They were old storage sheds or barns for whatever was used on the farm. Our goal with the restoration project is to get it back to looking like the farm of yesteryear. One of the things we will be restoring is the manor house. We have it going in phases. We have a picture of the manor house in its current form. We also

have a rendering of what it will look like after the restoration. It will be done in phases.

The first phase is to dry out the manor house. It has a moisture problem. We will be taking off the side wings and figuring out what kind of siding or stucco it had originally. We will go back to the original exterior and figure out what the exterior would look like. We do not know until we get the wings off and that is Phase 1. Future phases will be to restore the exterior and interior of the manor house. I also have a conceptual plan for where everything is. If you notice, the two (2) original outbuildings are back into the plan. We kind of hope we will be able to get some money to do that. It will be in a later phase after we work some things out with Smithfield VA Events to see if we can get some money to do those. It is not finalized yet. We are hoping to add them into the initial phases to get them built and restored. In the conceptual plan, we have the phases on here, things that we have funded, and things not yet funded. Essentially, Phase 1 is all of the outbuildings, exterior of the manor house, exterior of the tenant house, and some of the landscaping that needs to be taken care of. Phase 2 is renovating the pole barn, the interior of the manor house, and the addition to the side of the manor house. It is a more modern feature for catering events to try to make this an income producing property. There will also be a storage shed on the side of the manor house for HVAC and plumbing.

Councilwoman Tynes – I have a question. Over here, at the top, does that say ‘Party Barn’?

Councilman Dr. Cook – It does say ‘Party Barn’ but it really is an event barn for potential events. This was a conceptual plan put together by Smithfield Foods to figure out how we can make this pay for itself.

Councilwoman Tynes – I think it is a good idea.

Councilman Dr. Cook – It is in this conceptual drawing; but it is way down the road and one of the big ‘ifs’. It is a lot of money which we do not have. I also have another picture of the finished manor house. The exterior is white but we do not know exactly yet until we get to the porch and take it to the original exterior. The house can potentially be used for events such as weddings, wedding parties, corporate dinners, or overnight stays like a Bed & Breakfast. There are lots of possibilities. It is designed to be open to anything and for it to be rented out. The exterior is being used for weddings now. It could potentially be used for a rehearsal dinner the night before a wedding. The bridal

party could use it to stay the night of the wedding. It could be for corporate retreats, dinners, Christmas parties, or wine tastings. The possibilities are endless. This next picture shows the ideas for the interior of the house. It shows a finished basement. You kind of have to ignore the words where the conceptual drawings call it a wine tasting room; but, it is just a finished basement for the house. The picture shows the addition which will have an elevator to make us compliant for ADA reasons. It will allow wheelchair access to the entire house. It is one of the main reasons for this addition. The other is to have a commercial kitchen so we can have catered events there. The main floor plan calls them dining and living rooms; but it is basically dining rooms for future events. There is a commercial kitchen with an elevator providing access to this floor. The second floor will be bedrooms if someone wants to rent one overnight. For example, they could be for a bridal party. We have an area for a new bathroom. There is currently not a bathroom up there. So, part of the complexity of this restoration is all the different existing buildings that we have there that are from all different eras. Some are from the 18th century, 19th century, to the 20th century. Part of agreement with the Department of Historic Resources is to restore them to their original form. You might see that some of these outbuildings do not match each other. Some are from the 1700's to the 1900's. They will not all be painted red. They will be true to their era. We will be restoring the exterior of the tenant house. You can see the new buildings here that we do not have pictures of yet. You can see all of the existing barns that we have to deal with.

Councilwoman Tynes – I have a question for you. A few years back the Town Council toured the property. There was a little house there right off of the manor house that I think they said was an extended kitchen or something.

Mayor Williams – It is a summer kitchen.

Councilwoman Tynes – So, it will be restored. At one time, someone said it might get torn down.

Councilman Dr. Cook – Nothing will be torn down. We will actually be adding to it. We will be building two (2) new barns theoretically.

Mayor Williams – That is actually one of the oldest buildings there.

Councilman Dr. Cook – You can kind of see the scope of the project and where we are going. Where we are now, is restoring what we have. Hopefully, if we can get

some more funding, we can move renovating the interior of the tenant house up and those two (2) extra barns into Phase 1. To kind of go over the organizational structure, we have created a LLC to help manage the tax credits that are available to us for restoring a historic structure such as this one. The LLC will run the project as far as restoring all of these buildings. The town will maintain ownership of the property, maintain managing the property, and maintain running events on the property. Mrs. Musick is not going to change what she is doing as far as having weddings or other events there. All of that aspect is going to stay the same. Nothing is going to change. The only reasoning behind the LLC is to help grasp the historic tax credits which are available to a project such as this. The meeting of the committee and the LLC, which is kind of helping to run this project, is completely open to the public. If anybody wants to come and sit in, you can listen to what size pipes were used to run the plumbing. It is the second Wednesday of the month at 5:30 p.m. at the Smithfield Center. Everybody is welcome to come. Are there any questions?

Councilwoman Tynes – Thank you for the invite but I know you have the Town Council covered.

Councilman Dr. Cook – My purpose for being involved in the LLC is to make sure that our interests are covered. Since our money is being spent, I am there to make sure that our money is spent wisely and correctly. So, with that being said, we need to speak about the franchise agreement that we talked about last month with the LLC. Things are starting to roll. We are having an asbestos abatement contractor coming out soon. We need to get a franchise agreement in place so the LLC can actually start to work. In front of you, there is an updated franchise agreement between the town and the LLC.

Town Attorney – It is actually a commercial lease. If you recall, at your November Town Council meeting, there was a public hearing pursuant to the statute that requires such an action on behalf of the Town Council. You deferred action on that until your December meeting and then deferred action again until we could work out all of the terms. Prior to this meeting, the Windsor Castle Foundation had a meeting. Ms. Sue Ivy has been appointed as the manager of the limited liability company which is Historic Windsor Castle Restoration. They are the tenant pursuant to this commercial lease agreement. The way it works is that the franchise is your official action authorizing a commercial lease. You have already done that. This, before you, is a commercial lease.

It provides for a thirty (30) year lease. The reason it says thirty (30) years is because in order to satisfy the tax regulations you have to do one (1) of two (2) things. You have to either convey your interest to a new LLC which was not an acceptable course of action by this Council; at least that's what you told me. The second is that the historic preservation easement that runs to the benefit of the Department of Historic Resources has limitations on conveyance of the property. The legal counsel that we engaged to advise us on this said that in order to satisfy the tax regulations, we should enter into a commercial lease for thirty (30) years which is what we have right here. It can be terminated at some point in the future when the purpose of the LLC is no longer in place. Once again, the entire reason for creating the LLC is to facilitate historic tax credits because it enables the Town Council, Smithfield Foods, and the Foundation to leverage its money. At this point, you have three (3) to five (5) million dollars that has been pledged to this project. Part of that will qualify for tax credits. Once the tax credits are approved, they can be syndicated and, of course, that money can effectively be returned back to the project. You use the money once and then you can use it again in the form of syndication of tax credits. You are maximizing the funding that you have allocated for the project. This lease provides for retention of the management of the property by the Town of Smithfield. So, operationally, things are the same as they have always been. As Dr. Cook said, Mrs. Musick will continue to book and manage the property as she has since it has been acquired. The rent is one hundred (\$100.00) dollars per year; but, in addition, the obligation of the lease is for the tenant which is Historic Windsor Castle Restoration to improve your property in accordance with the plans approved by the Department of Historic Resources. We have very little to say about how this is done in the early stages because we are mandated by the terms of the preservation easement to preserve the property. We have spent an awful lot of money, courtesy of Smithfield Foods and their generosity, to have a set of plans prepared and submitted to the Department of Historic Resources. They have approved the plans and blessed it. They have pretty much told us what we have to do and that will be Phase 1. There is sufficient funding for Phase 1 to proceed. This contemplates that there will be a Phase 2 and Phase 3 if we can raise the money. The obligation of the tenant is to restore your property. They will rehab the property in accordance with those plans in a manner that will qualify for tax credits. It is what you are agreeing to here. The town will

continue to insure it. It is not taxable which are usually the two (2) big issues in leases; who pays for the insurance and who will pay the taxes. In this case, that is not an issue because it is not taxable and the town can continue to carry it under its umbrella insurance policy. With all of that being said, Ms. Ivy has signed a copy of this. I would recommend that you adopt a resolution of the Council authorizing the Town Manager to enter into this lease agreement.

Councilman Dr. Cook – Mr. Mayor, I just want to point out that if you look at the lease at item #15 which is what our Town Attorney was speaking about; the tenant (Historic Windsor Castle Restoration, LLC) will rehabilitate the premises based upon the Department of Historic Resources plans. Item #3 specifically states that ‘the landlord (Town of Smithfield) reserves the right to coordinate and manage the events upon premises during the term of this lease.’ The town retains ownership and management of the property. If there are any questions about that; it states it right there. One thing, which I kind of left out with all this, the LLC is taxed with the restoration and rehabilitation of this site; however, any new structures ever to come down the pike, the town will still have to approve them and hold public hearings and speak about such things. This is not considered a blanket construction approval by the town to Windsor Castle Restoration LLC to do everything and anything. This is a purely to restore our existing buildings that are being mandated by the Department of Historic Resources.

Vice Mayor Gregory – Mr. Mayor, I make a motion that we authorize the Town Manager to sign the commercial lease with Historic Windsor Castle Restoration, LLC.

Councilwoman Tynes – Second.

Mayor Williams - A motion has been made and properly seconded. Are there any further questions? Hearing none, roll call vote.

On call for the vote, seven members were present. Councilwoman Chapman voted aye, Councilwoman Tynes voted aye, Councilman Dr. Cook voted aye, Councilman Pack voted aye, Councilman Smith voted aye, Vice Mayor Gregory voted aye, and Mayor Williams voted aye. There were no votes against the motion. The motion passed.

Mayor Williams – Is there anything else to come before Council tonight? Hearing none, we will now move to Closed Session. It will be brief. I appreciate everyone coming out tonight.

Vice Mayor Gregory – I would like to make a motion that we go into closed session for the purpose of discussing the disposition of real property.

Town Attorney – I have another item, Mr. Mayor and Council members. It would be a consultation with legal counsel as to actual matters requiring legal advice.

Vice Mayor Gregory – So moved.

Councilwoman Chapman – Second.

Mayor Williams - A motion has been made and properly seconded. All in favor say aye, opposed say nay.

On call for the vote, seven members were present. Councilwoman Chapman voted aye, Councilwoman Tynes voted aye, Councilman Dr. Cook voted aye, Councilman Pack voted aye, Councilman Smith voted aye, Vice Mayor Gregory voted aye, and Mayor Williams voted aye. There were no votes against the motion. The motion passed.

Town Council went into closed session at 8:25 p.m.

Town Council returned to open session at 8:49 p.m.

Town Attorney – We need a motion that during the closed session there was only a discussion about the acquisition or disposition of real property held for public purposes and a consultation with legal counsel as to actual matters requiring legal advice.

Councilman Smith – So moved.

Councilwoman Tynes – Second.

Mayor Williams - A motion has been made and properly seconded. All in favor say aye, opposed say nay.

On call for the vote, seven members were present. Councilman Smith voted aye, Councilwoman Chapman voted aye, Councilwoman Tynes voted aye, Councilman Dr. Cook voted aye, Councilman Pack voted aye, Vice Mayor Gregory voted aye, and Mayor Williams voted aye. There were no votes against the motion. The motion passed.

Mayor Williams – Are there any further items for Council tonight?

Councilwoman Tynes – I have one question for our Town Treasurer. As far as the former owner of the Hampton Inn establishment, did we ever get any funding? I saw the notes that were in our package; but I was wondering if it came forth.

Town Treasurer – Lieutenant Araojo made contact with him. He was able to locate him. We got a good address and good phone number. He indicated to Lieutenant Araojo that he did not realize that he owed us anything. He said he would contact us and take care of it right away. Needless to say, that has not happened. Lieutenant Araojo recommended that we send him a certified letter since we had the good address. We have done that. We are giving him ten (10) days and then I will get back with Lieutenant Araojo. I suspect that I may not hear back from him again. The police will assist us moving forward with that.

Councilwoman Tynes – Thank you.

Mayor Williams – Is there anything else to come before Council? Hearing none, we stand adjourned.

The meeting adjourned at 8:50 p.m.



Mr. T. Carter Williams
Mayor



Mrs. Lesley King
Town Clerk