



Town of Altavista, Virginia
Meeting Agenda
Town Council Work Session
Tuesday, June 23, 2020
5:00 p.m. – Council’s Chambers

J.R. “Rudy” Burgess Town Hall
510 7th Street
Altavista, VA 24517

- 1. Call to Order**
- 2. Agenda Adoption**
- 3. Recognitions and Presentations**

- a. Transit Plan**

- 4. Public Comment (Agenda Items Only)**

Citizen’s wishing to address Council should provide their name and residential address. Citizen’s comments are limited to three (3) minutes with a total of fifteen (15) minutes allotted for this purpose. (Please note that the Citizen’s Time is NOT a question-and- answer session between the public and the Council.)

- 5. Items Referred from Previous Meetings**

- 6. New Items for Discussion/Unfinished Items**

- a. Request of Mid-Atlantic Printers for waiver of penalty on delinquent taxes**
 - b. Change of Regular Town Council meeting time**
 - c. Select Air – Armory Lease Agreement / Purchase Option**

- 7. Public Comment (Non Agenda Items)**

Citizen’s wishing to address Council should provide their name and residential address. Citizen’s comments are limited to three (3) minutes with a total of fifteen (15) minutes allotted for this purpose. (Please note that the Citizen’s Time is NOT a question-and- answer session between the public and the Council.)

- 8. Matters from Council**

- 9. Closed Session (if needed)**

- 10. Adjournment**

THE TOWN OF ALTAVISTA IS COMMITTED TO FULL COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT STANDARDS. TRANSLATION SERVICES, ASSISTANCE OR ACCOMODATION REQUESTS FROM PERSONS WITH DISABILITIES ARE TO BE REQUESTED NOT LESS THAN THREE (3) WORKING DAYS BEFORE THE DAY OF THE EVENT. PLEASE CALL (434) 369-5001 FOR ASSISTANCE.



TOWN OF ALTAVISTA TOWN COUNCIL AGENDA COVER SHEET

AGENDA LOCATION:

Recognitions and Presentations

MEETING DATE:

June 23, 2020

ITEM #: 3a**ITEM TITLE:**

DRPT "Transit Development Plan"

DESCRIPTION:

This evening, Connetics Transportation Group (CTG) will present the draft Transit Development Plan for the Altavista Community Transit System (ACTS) virtually. The attached memorandum explains the requirement and reasoning for the plan. This plan must be adopted by Town Council as a part of our agreement with the Virginia Department of Rail and Public Transportation (DRPT).

RECOMMENDATION:

Place this item on your July 14, 2020 Regular Meeting (Consent Agenda) for adoption.

BUDGET/FUNDING:

This plan is a requirement to receive state/federal funds for operation of the Altavista Community Transit System.

POTENTIAL ACTION:

- Reach a Consensus to place this item on the July 14, 2020 Regular Meeting (Consent Agenda) or
 - Direct staff on alternate action

ATTACHMENTS:

- *Staff memo*
- *Transit Development Plan (provided separately)*
- *Presentation Summary*



DATE: June 9, 2020

MEMO TO: Waverly Coggsdale

FROM: Tobie Shelton

RE: Draft Transit Development Plan (TDP)

The draft Transit Development Plan (TDP) for Altavista Community Transit System (ACTS) will be provided under separate cover for Council's review.

The Department of Rail and Public Transportation (DRPT) contracted with Connetics Transportation Group (CTG) to update ACTS' 5-year comprehensive plan, referred to as the Transit Development Plan (TDP). This plan is a required document that is updated every 6 years and serves as a "road map" for public transportation service in our Town to grow and improve in the coming years. The TDP also provides important information for DRPT's programming, planning, and budgeting activities. When the Town submits grant applications to DRPT for federal and state transit funding, DRPT reviews the plan to ensure that the services and capital projects described in the grant application are recommended in the TDP.

The process to update the TDP began in July 2019 and has included regular phone calls with the project team as well as on-site visits, and data requests. During the process, CTG's project team evaluated the existing program as well as met with stakeholders within the community to ensure that the plan accurately reflects existing transportation conditions and needs. CTG's project team also developed and conducted rider surveys, driver interviews, ride along trips to track rider tendencies and to evaluate the route.

DRPT requires that the TDP be adopted by Council. To make sure Council is well informed and approves the plan, CTG's project team would like to present the proposed plan to Council at the June 23rd work session. This will be a virtual presentation.

1. Executive summary

Virginia's Department of Rail and Public Transportation (DRPT) requires that all transit providers receiving state funding periodically submit a planning document called a Transportation Development Plan (TDP). The plan helps DRPT to strategically allocate future state funding for operations and capital costs to multiple transit service providers, which is partly based on the expected transit needs outlined in the document. In a more thorough sense, however the TDP is an examination of the past, present, and future of the transit service, detailed through six chapters and an appendix.

Altavista Community Transit System (ACTS) is Altavista's public transit service, which operates a single route that runs hourly service throughout the town in a circuitous manner. The origins, goals, and characteristics of the service are detailed in the first two chapters. The third chapter is an analysis of how the service is currently performing by reviewing the most recent three years of data. The analysis revealed that despite increasing operating costs, ridership has slightly decreased the past three years. This has resulted in the service failing to meet some of the performance standards set forth in the prior TDP. A survey of passenger characteristics and attitudes towards the service was conducted in September 2019 and revealed that most riders were frequent users of the service, were senior, and had difficulties accessing private transportation, further highlighting the importance of the service in the town. The survey also revealed high satisfaction with the service and that the most desired service improvements were longer service hours and an expansion into Sunday, which is not currently provided. The report then analyzes the current and projected demographic conditions of the service area, which revealed the senior population becoming a larger share of the county population over the next several decades. Chapter 4 reviews several aspects of the county's demographics in greater detail.

The information gleaned from the demographic analysis, field work, survey, and stakeholder interviews influenced the recommendations developed at the end of the fourth chapter and detailed in greater financial and scheduling detail in Chapters 5 & 6. These recommendations, which include new data collection practices, slight route modifications, and future service expansion on the weekends were made with SMART criteria in mind (specific, measurable, attainable, relevant, and time-bound). Although the analysis in chapter 4 revealed a growing senior population, due to the rural nature of the county it is recommended for ACTS to continue focusing service on the residents of Altavista and not expand into the county.

This document should be considered as a fluid guide and not as a definitive process that must be followed verbatim, as the horizon of this TDP is ten years. It is likely that changes in finances, cultural attitudes toward transit use or other matters may occur and that it could result in changes to the schedule and recommendations set forth in this document. It is hoped that this document will aid ACTS in fulfilling its mission to provide the best service with the resources available.

2. Service Recommendation Guide

Project A: Improved Communication: Installation of Two-Way Radios:

Drivers are unable to communicate with employees at Town Hall, which serves as dispatch for the drivers. As a result, deviation requests, new pickups, missed trips, and emergency communication occurs once an hour when the ACTS vehicle arrives at Town Hall. Installation of two-way radios in the vehicles would allow for safe, instant communication between Town Hall and drivers to address these matters. **Cost: \$3,500 (Local: \$140)**

Project B: Improve Service Monitoring and Data Collection

This will help the service better understand the distribution of ridership throughout the day. With this information, decisions regarding when to operate ACTS can be assessed by Town staff. For example, Saturday service during the off-peak months offers the least amount of service, at five hours over the course of the day. The current Saturday ridership is approximately 50 daily boardings, but little is known about when those trips are taken. Data on when trips are taken would allow staff to determine if a service span increase is warranted.

Town staff could electronically record all deviation requests in a spreadsheet with addresses and times, which will support any future routing decisions. For example, if many deviations originate along Melinda Dr, where there currently is no service, then a re-routing from parallel Frazier Road could be considered. **Cost: None**

Project C: Dearing Ford Elimination

Project C recommends the elimination of the route alignment along Dearing Ford Rd and Main St, between Wal-Mart and the Food Lion. Staff noted that few stop requests or deviations occur along this alignment. The existing alignment is also inconvenient to riders that live along Lola Avenue, a high ridership corridor. As the schedule currently operates, riders leaving the Wal-Mart must ride the remainder of the route, 54 minutes, to return home. **Cost: \$2,120 (Local: \$430)**

Project D: Dearing Ford Elimination & English Park

This includes the recommendation to remove service from Dearing Ford Rd and the north east segment of Main St. Moreover, the bi-directional service along Frazier Rd and Lola Avenue would only continue up to 7th Street. As a result, the Town & Country Shopping Center would only be served in one direction. Instead of bi-directional service on 7th St, the route would traverse to Hughes Avenue via Lola Avenue and Main St, before continuing the existing alignment on 5th St. The time-savings by only serving the Town & Country Shopping Center in one direction can be applied to serve English Park (noted in blue), located south of the railroad tracks on Pittsylvania Ave. **Cost: \$(706)**

Project E: Coordination with Inter-City Bus System (ICB)

The proposed ICB route primarily traverses U.S. Route 29 from Danville to Washington, D.C. with major stops in Lynchburg and Charlottesville. Currently, Altavista is also listed as a potential stop, but criteria such as local transit connections, ease of access for coach buses, overnight parking, and pedestrian amenities will help determine if the town is served.

ACTS could help facilitate the transfer of potential riders by installing a shelter at the proposed ICB stop and include information about the ACTS service in both the shelter, as well with the operator of the ICB system so that passengers disembarking in Altavista are aware of the service. An additional benefit of the future ICB route is that it will connect Altavista to Lynchburg, a nearby cultural and commercial hub. Service between Altavista and Lynchburg had been proposed in the previous TDP but has not been implemented, due to cost. **Cost: \$7,000 (Local: \$280)**

Project F: Expanded Saturday Service

This recommends the expansion of Saturday service to match weekday service throughout the year, thereby enhancing the utility of the ACTS service. This is particularly salient for service workers, as many of these jobs do not follow typical Monday to Friday work patterns. Conversations with riders revealed that due to the shorter Saturday hours, workers are able to use ACTS to get to work but have to find a different way home at the end of their shift since ACTS has stopped running. Expansion of Saturday service would require two driver shifts to operate the service, similar to Weekday service. **Cost: \$8,575 (Local: \$1,741)**

Project G: Sunday Service

Project G recommends the addition of Sunday ACTS service. According to the rider survey conducted in September 2019, adding Sunday service was one of the improvements prioritized by riders prioritized. Similar to the need for Saturday service, having the ability to travel on Sunday is important for service workers, where weekend shifts are normal. This recommendation would require two driver shifts to operate. **Cost: \$18,338 (Local: \$3,723)**



TOWN OF ALTAVISTA TOWN COUNCIL AGENDA COVER SHEET

AGENDA LOCATION:

New Business

MEETING DATE:

June 23, 2020

ITEM #: 6a**ITEM TITLE:**

Request of Mid-Atlantic Printers for waiver of tax penalties for the past two years

DESCRIPTION:

Town staff has been working with Mid-Atlantic Printers in regard to delinquent 2018 & 2019 Taxes. Staff has agreed to a payment plan that would make the account current prior to the 2020 Taxes becoming due.

Subsequently, staff received a request from Mid-Atlantic Printers requesting that the penalties for the past two years be waived. Attached is a memo from the Finance Director addressing the taxes, penalties and interest due.

RECOMMENDATION:

Per discussion of Town Council.

BUDGET/FUNDING:

The taxes due are part of the Town's General Fund Revenues.

POTENTIAL ACTION:

- Per Council's discussion:
 - Motion to grant waiver of the penalties on the requested accounts/amounts
 - Defer action and place on a future meeting agenda.
 - Take No Action.

ATTACHMENTS:

- *Staff memo*
- *Email from Mid-Atlantic Printers*



DATE: June 10, 2020

MEMO TO: Mr. Waverly Coggsdale – Town Manager

FROM: Tobie Shelton

RE: Mid Atlantic Printers – Delinquent Taxes for 2019

Mid Atlantic Printers is delinquent on its taxes to the town in the amount of \$36,854.80, with interest accruing monthly.

In an email I received from Jason Edwards, Mid Atlantic Printers, he has a plan in place to satisfy this debt. Mr. Edwards' email is attached.

Mr. Edwards is requesting the town waive the 10% penalty imposed due to late payments for 2018 and 2019 taxes and accept a payment plan of five installments over the next five months to pay the balance. Mr. Edwards is aware that interest will continue to accrue on the remaining balance.

Below is a chart showing the tax amount due as well as the penalty amount that is requested to be waived.

ACCOUNT #	DESCRIPTION	Base Tax	Penalty	Interest to date	Payment	ACCOUNT BALANCE
14882	Machinery and Tools Tax 2018	32,316.98	3,231.70	3,096.00	-38,644.68	0.00
14882	Machinery and Tools Tax 2019	32,400.02	3,240.00	1,782.00	-567.22	36,854.80
14886	Personal Property Tax 2019	113.80	11.38	6.26	-131.44	0.00
50685	Personal Property Tax 2019	87.40	8.74	4.81	-100.95	0.00
58195	Personal Property Tax 2019	51.00	5.10	2.81	-58.91	0.00
60941	Personal Property Tax 2019	35.72	3.57	1.97	-41.26	0.00
68607	Personal Property Tax 2019	174.34	17.43	9.59	-201.36	0.00
70303	Personal Property Tax 2019	141.00	14.10	7.76	-162.86	0.00
70305	Personal Property Tax 2019	207.26	20.73	11.40	-239.39	0.00
71963	Personal Property Tax 2019	199.04	19.90	10.95	-229.89	0.00
	TOTALS	65,726.56	6,572.65	4,933.55	-40,377.96	\$36,854.80

I am requesting Mr. Edwards' request be included on the agenda for the June 23rd Council Work Session for discussion.

Thank you.

From: [Jason Edwards](#)
To: [Tobie Shelton](#)
Subject: MidAtlantic Printers
Date: Tuesday, June 9, 2020 5:22:11 PM

[EXTERNAL SENDER]

Hello Tobie

Per our discussion Wednesday Jun 3, 2020 we would like to propose the following relief for MidAtlantic Printers, and solution to our tax obligation.

We would like to propose the Town of Altavista waive the 10% penalty imposed due to late tax payments from the last two years, and accept a payment plan of 5 equal installments over the next 5 months to pay the balance.

As discussed in our meeting, the company has overcome some major hurdles, and made significant progress over the past couple years. Our workload has remained fairly steady and appears poised to grow in the future.

We have had a strain on cash flow, due to our largest paper vendor canceling our credit line, we were forced to satisfy their balance along with several other vendors changing our terms to Cash in Advance. During the past 2 years in order to continue to secure raw materials and services needed from our vendors, we have reduced our accounts payable from approx \$1,100,000 to under \$600,000. Additionally we have reduced our long term debt by over \$100,000.

In addition we have acquired several large customers and have right sized the company and got it back on the right track.

We are both sorry and embarrassed due to the tax obligation and would like to resolve it as soon as possible.

It is my understanding, prior to 2018, other than a couple minor late payments the company has paid its taxes to the town in full and on time for the rest of its 111 year history, our goal is to continue improving our situation and get back on that path. In the past 10 years alone the company has paid over \$225,000 to the Town.

It is worth noting, since May 2018

- The company has paid its employees approx \$3,400,000, of which over \$2,700,000 was paid to employees who work in the Altavista location, much of which was undoubtedly spent in the Altavista area.**
- The company has paid approx \$40,000 to the Town and is committed to paying what is remaining as soon as possible.**

Again - we are sorry for the delay and the fact this has occurred, and are hopeful the Town will work with MidAtlantic to provide the quickest resolution to the balance owed as possible.

Thank You

Nancy and Jason Edwards & the Whole Team at MidAtlantic

Jason Edwards

MidAtlantic Printers Ltd

704 460-8298

www.mapl.net





TOWN OF ALTAVISTA TOWN COUNCIL AGENDA COVER SHEET

AGENDA LOCATION:

Unfinished Business

MEETING DATE:

June 23, 2020

ITEM #: 6b**ITEM TITLE:**

Change the meeting time for Town Council's Regular Meetings

DESCRIPTION:

At the June 9, 2020 Town Council Regular Meeting, Mayor Mattox inquired of Town Council if they would like to consider changing the start time of Town Council's Regular Meetings (second Tuesday of each month) from 7:00 p.m. to 6:00 p.m. It was the consensus of Town Council to proceed with this item. Mayor Mattox inquired of Town Attorney John Eller as to the proper procedure to make this change. Mr. Eller indicated there is a section in the Town Code that states the time of the meetings, thus this would need to be changed. He further suggested that the actual time be removed and the code section be amended to allow Council to establish meeting times annually.

Mayor Mattox asked that this be prepared and presented to Town Council at their June 23, 2020 Work Session for review/consideration and possible approval. (NOTE: Town Council Work Sessions held on the fourth Tuesday of each month would retain their starting time of 5:00 p.m.)

RECOMMENDATION:

Adopt the changes to the Town Code in regard to meeting times and adopt that all future Regular Meetings of the Town Council would begin at 6:00 p.m. unless stated otherwise.

BUDGET/FUNDING:

N/A

POTENTIAL ACTION:

- Vote to amend the code to allow Town Council to set their Regular Meeting time annually.

ATTACHMENTS:

- *Sec. 2-31. - Regular Meetings*

An Ordinance to repeal, amend and re-ordain Section 2-31 of the Code of the Town of Altavista, 1968, relating to regular meetings (of town council).

Be it ordained by the Town Council of the Town of Altavista:

1. That Section 2-31 of the Code of the Town of Altavista, 1968, be repealed, amended and re-ordained as follows:

Sec. 2-31. Regular meetings.

The council shall hold its regular monthly meetings on the second Tuesday in each month at ~~7:30~~ 6:00 p.m., in the town hall, and as to such regular meeting no further notice shall be required to be sent to any member of the council or any officer of the town.

2. This Ordinance shall become effective immediately upon passage by the Town Council of the Town of Altavista.



TOWN OF ALTAVISTA TOWN COUNCIL AGENDA COVER SHEET

AGENDA LOCATION:

New Business

MEETING DATE:

June 23, 2020

ITEM #: 6c**ITEM TITLE:**

Armory Lease Agreement with Select Air with Option to Purchase

DESCRIPTION:

During 2015, the Town entered into a lease agreement with Select Air Mechanical, Inc., to use the Altavista Armory with an option to purchase. A copy of the agreement is attached. The lease agreement was for a five (5) year period beginning August 1, 2015 through July 31, 2020. Monthly rent was set at \$5,000. As part of the agreement, Select Air was obligated for certain improvements at the facility, in exchange for a \$4,000 monthly reduction in rent. The total estimated cost of improvements set forth in the agreement was \$264,274.

The agreement states, Select Air must exercise their option to purchase the property before July 1, 2020 or a mutually agreeable extension may be made in writing prior to July 31, 2020. In a letter received from Select Air, dated June 17, 2020, they would like to pursue the Purchase Option as outlined in the agreement and their total cost to date for property improvements is \$217,050.

Representatives of Select Air Mechanical, Inc. will be present to update Council on property improvements and to answer any questions Council may have.

RECOMMENDATION:

Staff requests that Council provide input and direction on this item.

BUDGET/FUNDING:

Unknown at this time but funds from the sale of the property would be returned to the General Fund.

POTENTIAL ACTION:

- Per Council's discussion
 - Place this item on a future Town Council meeting agenda for additional review/discussion.
 - Provide alternative direction to staff, based on discussion.
 - Take no action at this time.

ATTACHMENTS:

- *Armory Lease Agreement with Option to Purchase*
- *Letter from Select Air Mechanical, Inc.*
 - *Listing of Improvements made to the Armory*

LEASE WITH OPTION TO PURCHASE

This **AGREEMENT**, made and entered into this 4TH day of August, 2015 by and between **THE TOWN OF ALTAVISTA**, a Virginia municipal corporation, hereinafter called the "Lessor", and **SELECT AIR MECHANICAL, INC.**, a Virginia corporation hereinafter called the "Lessee".

The parties hereto hereby enter into this Lease with Option to Purchase Agreement as to the premises situated in the Town of Altavista, Virginia described as the Altavista Armory property 1502 Avondale Drive, Altavista, Virginia, more particularly described on the attached Appendix A and hereinafter referred to as the "The Property", upon the following Terms and Conditions:

1. **Zoning Permit and Proffers.** The Property is currently zoned Industrial subject to proffered conditions and specific limitations on its use. As a condition of this lease and the option to purchase contained herein Lessee agrees to abide by all of the proffered conditions specified in the rezoning by the Altavista Town Council on July 14, 2015. Should the Lessee violate the proffers contained in the rezoning then after 30 days written notice and opportunity to cure Lessor shall have the option to terminate this Agreement.

2. **Term; Rent; Lessee to Make Improvements.**

A. **Term.** Lessor leases The Property to Lessee for a term of Five (5) years commencing August 1, 2015 and terminating on July 31, 2020.

B. **Rent.** The rent shall be \$5,000.00 per month payable in advance. It is agreed by the parties that conditioned upon Lessee making the improvements to the demised premises set forth in Subparagraph C. below and complying with all of the terms of the lease, the said rent will be discounted to \$1,000.00 per month effective with the first month of the lease.

Receipt of the first month's rent of \$1,000.00 is acknowledged. All rental payments shall be made to Lessor at 510 7th Street, P.O. Box 420, VA, 24517. A late charge of \$50.00 will be imposed if the monthly rental is not received by Lessor before the 10th day of each month during the term of this Lease. Failure to pay the rent by the 10th of the month on three occasions, at the option of Lessor, may be considered a default hereunder and dealt with as provided in Paragraph 11 hereof.

C. **Improvements by Lessee.** Lessee agrees to make the following improvements to The Property at its entire expense for materials and labor said

improvements to be completed according to the schedule set forth below. Said improvements shall be done in a workmanlike manner per applicable building codes and subject to Lessor's approval, such approval not to be unreasonably withheld, all of which shall be completed as set forth below.

The improvements which shall be made by Lessee and the scheduled date of completion are as follows:

Note: These items should be placed in the planned order of completion.

ITEM	ESTIMATED COST ⁽¹⁾	COMPLETION DATE
Roof	\$96,525.00	25% 6/1/2016 50% 6/1/2017 100% 6/1/2019
Plumbing	\$30,300.00	60% 12/1/2016 100% 12/1/2018
HVAC	\$72,650.00	50% 12/1/2016 100% 12/1/2019
Electrical	\$16,850.00	12/1/2015
Exterior Cleaning and Improvements ⁽²⁾	\$31,250.00	2/1/2016
Interior Repair	\$16,699.00	8/1/2016
Additional items as agreed ⁽³⁾		
TOTAL	\$264,274.00	

(1) As each segment is completed Lessee will provide a verified statement of the actual cost.

(2) Clean up and repair of outside of building (windows, pressure washing building, painting and parking lot maintenance including sealing)

(3) Additional items may added by mutual written agreement executed prior to beginning such work.

As a condition of this lease and the discounted rent of \$1,000.00 per month, all of the said improvements shall be completed according to the foregoing schedule. Modifications of the schedule may be made by mutual agreement of the parties in writing in advance of the completion date. All of the said improvements shall be completed by July 31, 2020. If any items on the schedule are not completed by the stated date and not extended as provided above, or if all the improvements are not completed and approved in writing by Lessor by July 31, 2020, said approval not to be unreasonably withheld, then the Lessee shall be in default and the Lessor may, at its option, terminate this Agreement after notice as provided in Paragraph 10 below.

In addition, should the Lessee default on its obligations herein the rent for the term retroactive to August 1, 2015 shall be \$5,000.00 per month. In the event

of such default, Lessee shall pay the Lessor \$4,000.00 per month in addition to the \$1,000.00 previously paid for each month of occupancy of The Property with Lessee to receive a credit for all verified out of pocket expenses actually paid by Lessee for any of the improvements set forth in Paragraph 2. C. that were actually completed up to the full amount of back rent due.

3. **Care and Maintenance of Premises; Asbestos.** In addition to the renovations and repairs set forth in Paragraph 2. above, Lessee shall be solely responsible for all repairs and maintenance on the interior and exterior of the building including the parking lot, driveway, outbuildings and grounds. Lessee acknowledges that it is aware that asbestos has been found in the building. Lessee accepts sole responsibility for dealing with the asbestos including all remediation as may be required by authorities having jurisdiction.

4. **Taxes; Utilities.** Lessee shall be responsible for and shall pay in a timely manner all town and county real estate taxes levied on The Property.

All applications and connections for necessary utility services on The Property shall be made in the name of the Lessee only, and Lessee shall be solely liable for utility charges as they become due including those for sewer, water, gas, electricity and communications/IT.

5. **Entry and Inspection.** Lessee shall permit Lessor's employees and agents to enter upon The Property at reasonable times and upon reasonable notice for the purpose of inspecting the same and determining the progress of the items in Paragraph 2. C. above.

6. **Assignment and Subletting.** Lessee shall not assign this Agreement or sublet any portion of The Property without prior written consent of the Lessor. Any such assignment or sublease without Lessor's prior written consent shall be void and in the event of such unapproved assignment or sublease the Lessor, at its option, may terminate this Agreement. In the event that Lessee should desire to assign this Agreement, Lessor shall be entitled to and shall be supplied with all documentation it desires as to the proposed assignee's ability to perform this Agreement.

7. **Insurance.** Lessee, at its sole expense, shall maintain public liability insurance including bodily injury and property damage insuring the Lessee and including the Lessor as additional named insured in at least the amount of \$1,000,000.00. In addition, Lessee shall maintain full coverage against all casualty losses, including fire, windstorms and other hazards with Lessor as additional named insured. Lessee shall provide Lessor with a Certificate of Insurance showing Lessor as additional insured on both of the above policies. The certificate shall

provide for ten day written notice to Lessor in the event of cancellation or material change of coverage. To the maximum extent permitted by the insurance policies, Lessee and Lessor, waive any and all right of subrogation which might otherwise exist.

8. **Indemnities.** Lessor shall not be liable for any damage or injury to any person or to any property occurring on The Property and Lessee shall indemnify and hold Lessor harmless from all loss, claim, damage or expense including litigation expense and attorney fees arising from such injury.

Lessee indemnifies and holds Lessor harmless from all environmental liability and all loss, claim, damage or expense, including defense costs and attorney fees, arising therefrom.

Lessee indemnifies and holds Lessor harmless from all liability arising from the presence of asbestos on The Property and all loss, claim, damage or expense, including defense costs and attorney fees, arising therefrom.

9. **Destruction of Premises.** In the event of a partial destruction of The Property during the term hereof, from any cause, Lessee shall be responsible for the repairs and restoration of the building using the proceeds of the casualty insurance and such partial destruction shall not terminate this Agreement, except that Lessee shall be entitled to an appropriate extension of the completion schedule contained in Paragraph 2. C. above if such repairs shall interfere with the business of Lessee on The Property. Total destruction of the building may, at the option of either party, terminate this Agreement.

10. **Purchase Option.** Provided that Lessee is in good standing on the payment of the rent and has complied faithfully with the terms of this Agreement, Lessee shall have the option to purchase The Property upon the expiration of the term. The sale price shall be based upon the Campbell County tax assessed value for the year 2015 which is \$537,100.00 less a credit for the total of the completed renovations set forth in Paragraph 2. C. hereof, such credit not to exceed \$264,274.00, plus any additional improvements agreed as provided in Paragraph 2. C. (3) plus the discounted rent paid under Paragraph 2. A. hereof (\$60,000.00) for a total credit of \$324,274. The balance due at closing shall be \$212,826 or such amount as may be reduced by the agreed additional improvements as provided in Paragraph 2. C. (3) (hereinafter "the Purchase Price").

Lessee may exercise this option in writing not more than 60 days nor less than 30 days prior to the expiration of the term by Certified Mail Return Receipt Requested to Lessor's address as stated below. Lessee shall close within 30 days of the receipt of said notice to Lessor but in no event shall closing take place prior to

June 30, 2020. At closing Lessee shall pay Lessor the purchase price in cash equivalent less the amount of the improvements made and rent paid by Lessee as set forth in Paragraph 2 above. The Lessor shall convey The Property to Lessee by General Warranty deed at closing. The closing date may be extended by mutual agreement in writing in advance for good cause.

In the absence of timely exercise of the purchase option as provided herein, or mutually agreed extension, in writing prior to July 31, 2020, this purchase option shall expire and be of no further effect on said date and this Agreement and Lessee's right to occupy The Property will expire July 31, 2020. Should Lessee give the said notice and then fail to close within the 30 day period without obtaining a written extension the right to purchase for the Purchase Price shall terminate and the Lessee shall have no further right to occupy The Property. Should the lease and option so terminate then the improvements made by Lessor shall be a part of The Property and shall be solely owned by the Lessee.

In the event that Lessee elects to exercise this option to purchase The Property it shall accept The Property in its condition at the time of the closing and Lessor makes no warranties of any kind as to The Property or any conditions thereon, including the presence of asbestos.

Should the Lessee exercise this option and should the closing be extended past the end of the lease term, Lessee may continue to occupy The Property at the discounted rate for one additional month but no credit shall be given against the Purchase Price. Should the closing be extended beyond August 31, 2020 the tenancy shall be on a month to month basis and the rent shall be \$5,000.00 per month with no credit given against the purchase price.

11. Lessor's Remedies on Default. If Lessee defaults in the payment of rent or defaults in the performance of any of the other covenants or conditions hereof, Lessor shall give Lessee notice of such default and if Lessee does not cure any such default within 20 days after the giving of such notice in writing by Certified Mail Return Receipt Requested (or if such other default is of such nature that it cannot be completely cured within such 20 days and thereafter proceed with reasonable diligence and in good faith to cure such default) then Lessor may terminate this Agreement on not less than 15 days notice to Lessee in writing by Certified Mail Return Receipt Requested. On the date specified in such notice the term of this Agreement shall terminate and Lessee shall then quit and surrender the premises to Lessor.

12. Security Deposit. Lessee shall deposit with Lessor on the signing of this Agreement the sum of One Thousand and 00/100 Dollars (\$1,000.00) as security deposit for the performance of Lessee's obligations under this Agreement.

In the event of termination of this Agreement by default, Lessor shall examine the premises and give the Lessee a written list of claimed damages and amounts thereof. Within ten days of Lessee vacating The Property Lessor shall return the security deposit and provide a written statement explaining any portion of the deposit not returned to Lessee. Failure of Lessor to comply with this paragraph forfeits the Lessor's right to keep the security deposit.

In the absence of default by the Lessee and in the event of exercise of the option to purchase contained herein the security deposit will be credited against the sale price.

13. **Attorney's Fees.** In case suit should be brought by either party for recovery of The Property or for any sum due hereunder, or because of any act which may arise out of the possession of The Property, the prevailing party shall be entitled to all costs incurred in connection with such action, including reasonable attorney's fee.

14. **Notices.** Any notice which either party may, or is required to file, shall be given by mailing the same, by Certified Mail Return Receipt Requested, postage prepaid to Lessee at the address as shown below or Lessor at the address shown below, or at such other place as may be designated by the parties from time to time.

15. **Assigns.** This Agreement is binding upon and inures to the benefit of the parties and their lawful assigns.

16. **Entire Agreement.** The foregoing constitutes the entire agreement between the parties and may be modified only by a writing signed by both parties.

WITNESS the following signatures and seals:

Lessor's Address

THE TOWN OF ALTAVISTA

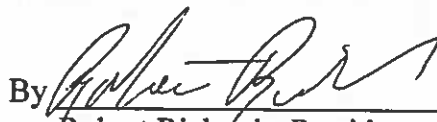
510 7th Street, P.O. Box 420
Altavista, VA 24517

By  (SEAL)
J. Waverly Coggsdale, III, Town Manager

Lessee's Address

SELECT AIR MECHANICAL, INC.

(SEAL)
14/Altavista/Commercial Lease) Select Air Mechanical

By  _____
Robert Richards, President



1502 Avondale Drive
Altavista Virginia 24517
(434) 332-2600

info@selectairmechanical.com

17 June 2020

Waverly Coggsdale, III - Town Manager
Town of Altavista
510 Seventh Street
Altavista, Virginia 24517

Mr. Coggsdale,

I write to you today concerning the Virginia National Guard building. Let this letter serve as notification that Select Air Mechanical & Electrical, Inc. desires to enter negotiations to take ownership of said building. We will be present at the next council work session to be held on Tuesday 23 June 2020 at 5:00pm to discuss the facility and answer any questions the council may have. Included in this letter are items that have been accomplished during the lease period. Please reach out to me on Monday 22 June 2020 to schedule a time to tour the facility if so desired. My direct line is (434) 818-0764.

I look forward to speaking to you on Monday.

Respectfully,

A handwritten signature in blue ink, appearing to read "JDS", is written over the word "Respectfully,".

Jeremy D. Shelton, PE

Attachment



1502 Avondale Drive
Altavista Virginia 24517
(434) 332-2600

info@selectairmechanical.com

Item	Description	Value
1	office renovation	\$ 30,000.00
2	demo restroom/install kitchen	\$ 4,000.00
3	demo boiler system and remove contaminants	\$ 6,900.00
4	install HVAC for office area 1 (20 SEER)	\$ 20,000.00
5	install HVAC for office area 2 (20 SEER)	\$ 20,000.00
6	install HVAC for stock room (15 SEER)	\$ 12,000.00
7	repaired/replaced plumbing	\$ 13,000.00
8	installed new bathroom	\$ 6,400.00
9	install new lobby	\$ 7,200.00
10	roof repair	\$ 9,000.00
11	electrical repairs	\$ 8,200.00
12	network infrastructure	\$ 4,200.00
13	surveillance	\$ 17,000.00
14	access control	\$ 8,000.00
15	painted exterior trim	\$ 4,100.00
16	electrical upgrades	\$ 29,000.00
17	repaired large roll-up door	\$ 1,800.00
18	installed fence block for lay-down area	\$ 500.00
19	repaired electrical in metal building	\$ 400.00
20	repaired outside lights of metal building	\$ 600.00
21	repaired and painted metal building door	\$ 100.00
22	repaired gutter on metal building	\$ 50.00
23	replaced gutter downspout on main building	\$ 100.00
24	property taxes for 5 years	\$ 14,500.00
		\$ 217,050.00