

**Council Minutes
Regular Meeting
July 13, 2015 – 6:30 p.m. – 502 Front Street E, Coeburn, VA**

Attendees: Upon a roll call vote all Council members were present. Christy McCoy – Clerk/Treasurer, Russell A. Mullins and William Sturgill – Town Attorney were also present.

Call to Order: Mayor Jeff Kiser called the meeting to order.

Pastor Carrol Childress, Midway Church, gave the invocation. The group remained standing for the Pledge of Allegiance.

Public Expression:

James Bullion, 205 North Street presented Council with a packet that had a FOIA request included. Mr. Bullion was requesting documentation regarding the Mayors lawsuit surrounding the Town of Coeburn and documentation of a business which he stated the vice mayor owns.

Melissa McCarty, Meadow St. referred to what she understood Mayor Kiser said during the last meeting regarding meals tax. She stated that Mr. Kiser said that a part of the meals tax levied went to the Commonwealth of Virginia and part of the meals tax levied went to the town. Mr. Kiser clarified that the portion of meals tax that is collected for the town stayed in the town and was used as part of the budget. He corrected Ms. McCarty stating that he said that there was an additional state tax on sales transactions that take place in Virginia. He clarified that those taxes are different than town taxes and are not seen by the town. She also asked if Council could revisit the speeding situation on Meadow Street. The town manager suggested making a request to VDOT to conduct a speed study on the street. The study could show the need for additional state assistance for patrol.

Cindy Snodgrass, 617 Second St. NE asked if Council could evaluate the house that was burned 4 or 5 years ago. The house is very close to hers and the debris from the dilapidated house is coming on to her property and making a mess.

Reggie Campbell, 612 Meadow St. asked if state troopers could patrol Meadow Street since it was a state maintained road. He stated that speeding on the street continued to be a problem. He also complained about the noise from cars with loud exhausts. He ask Council to make sure that the noise ordinance was being followed. He also asked if public expression time could be donated to someone else if the total 5 minutes was not used. He asked what documents surrounding financial information for the town could be disclosed. He stated that he made a FOIA request some time ago and it was denied.

Charles Kiser, King Ave. expressed his opposition to the 5 minute time limit that was set for public expression. He stated that this was not enough time for citizens to discuss their problems with Council. He stated that Council should want to hear what the citizens have to say to them. He asked that Council add the item to the agenda and revisit the limitations.

Doug Neal, 719 Second St. was present to talk about tax issues and the ongoing law suit that the town has against former town manager, Loretta Mays. He stated that he was aware that it was an ongoing investigation and certain information could not be shared. He asked that Council keep citizens involved and let them know what is happening with the case. He stated that it is the Council member's responsibility to be good stewards of the tax payer's money. He stated that he did not feel like it was in the best interest of the town to walk away from money that could be recouped.

Jess Powers asked if Mr. Larry Sturgill was given permission by Council to continue the forensic audit. Mayor Kiser directed the question to the William Sturgill, Town Attorney. The attorney suggested adding the item to the agenda for a vote. Mr. Powers made a motion to have Larry Sturgill proceed with the audit. Mr. Kiser asked that no motions be made until the agenda item was added for discussion.

There was no further public expression. The Mayor closed public expression.

Approval of Agenda:

Sharon Still asked to add Meadow Street (VDOT) Speed Study to the agenda under new business. Veronica Buchanan seconded the motion, which resulted in all Ayes. The item will be place under new business item 'f'.

Jess Powers made a motion to authorize Larry Sturgill to move forward on the investigative audit pursuant to the email presented by the town manager. The email stated that Mr. L. Sturgill's firm would donate 1 month of 2 people's time to get everything up to speed. Sharon still seconded the motion which resulted in all Ayes. The item will be placed under old business item 'c'.

Jeff Kiser made a motion to approve the agenda as amended. Deventae Mooney seconded the motion which resulted in all Ayes.

Reports:

Town Manager

Town Manager Mullins reported that the Flatwoods Job Corp began the process of engineering to hook onto the Sheffield interceptor line. He reported that he was beginning the process of researching the many alleyways that the town owns. Many of the alleyways exist on paper but have not been properly identified. The alleyways are

beginning to cause property maintenance issues. He will be making recommendations during upcoming meetings. Mr. Mullins reported that the town received a Planning Grant not to exceed \$25,000 for the Hydro-pneumatic Pump Station Improvements.

Public Works

Danny Jordan, Public Works Director, reported that his department processed 330 work orders during the month. There were 6 water leaks repaired throughout the month. He reported that the town assisted with the removal of 2 large trees in a town alleyway on Gray Avenue. Public works also assisted with the Fourth of July activities. Mr. Jess Powers informed the public works director that he received calls regarding pot holes on Trent Street. Citizens are using alternate routes in order to avoid the pot holes.

The Lane Group

Chris Mullins, The Lane Group, reported that the Downtown Water Project was complete. The Sheffield Acres Project began upon completion of the water project. Flatwoods Job Corp started their engineering efforts to prepare to connect to the line. The pump station site has been acquired and the survey work is completed. Boggs Municipal is ready to begin the project. Mr. C. Mullins also cautioned Council as they discuss moving forward with alleyway abandonments. He advised that they look at utility easements. He advised looking at whether there are existing utilities in the alleyways. He reported that there was still no communication regarding the Stanley Tool Contest.

Treasurer

Clerk/Treasurer, Christy McCoy presented Council with minutes from June 8, 2015 and June 22, 2015. She presented the accounts payable due in the amount of \$99,078.67. She also presented the interim accounts payable report in the amount of \$174,696.84. Ms. McCoy reported the reconciled cash balance as of July 9, 2015. The reconciled cash balance was (-) (\$79,451.58). There would be a payroll due during the week in the amount of approximately \$32,000 (including tax liabilities). She reported that there was an approximated anticipated revenue of \$91,000.00. Mayor Kiser clarified that the new rate increases were not billed on the July water bills. She informed him that the new rates would reflect on the August billing. Jess Powers asked about the checks equaling \$6000. The checks were issued for the site to be used for the pump station required for the Sheffield Sewer Project. There were no other options for land purchases. If the pump station did not get installed then no other property owners could hook onto the line resulting in a loss in anticipated revenue.

Jeff Kiser made a motion to accept the accounts payable as presented in the treasurer's report. Sharon Still seconded the motion. A roll call vote resulted as follows: V. Buchanan- Aye, J. Kiser – Aye, D. Mooney – Aye, S. Still – Aye, J. Powers – Aye.

Jeff Kiser made a motion to accept the interim accounts payable as presented in the treasurer's report. Sharon Still seconded the motion. A roll call vote resulted as follows. V. Buchanan- Aye, J. Kiser – Aye, D. Mooney – Aye, S. Still – Aye, J. Powers – Aye.

June 8, 2015 – Regular Meeting – Jeff Kiser made a motion to accept the minutes as presented. Sharon Still seconded the motion which resulted in all Ayes.

June 22, 2015 – Jeff Kiser made a motion to accept the workshop minutes as presented. Sharon Still seconded the motion. A roll call vote resulted as follows: V. Buchanan – Abstained due to absence, J. Kiser – Aye, D. Mooney – Abstained due to absence, S. Still – Aye, J. Powers- Aye.

Police Report

Police Chief, Scott Brooks was not present. No report was given.

Volunteer Fire Department

Fire Chief, Cliff Hawkins was absent and no report was given.

Mayor Kiser asked the town manager to remind department heads of the importance of attending the scheduled Council meetings.

Attorney Report

The attorney gave out a CPI (Consumer Price Index) report showing a history of the CPI increases. He asked that Council review the report for the upcoming discussion regarding the Norfolk Southern Lease Agreement. The attorney would continue his conversation regarding the lease agreement upon the discussion of Old Business Item a.

EDA Report

Veronica Buchanan reported that EDA has scheduled a meet and greet with the local businesses. The date has not been set yet but EDA will keep Council informed of progress being made. She stated that EDA was also pursuing some revitalization grants for the town.

New Business

- a. Department of Health Office of Drinking Water receipt of Change Order #2 – The report was given for Council information only. Due to recent complaints about water discoloration, Mayor Kiser asked about the testing procedures for water quality. The town manager explained that samples were taken from 5 different locations throughout the water system. The samples are collected and then sent

to the Department of Health. Flushing the lines recently caused some of the discoloration. Mr. Mullins stated that the town did do water testing samples during this period and he assured Council that the drinking water was tested and safe.

- b. Office of Drinking Water receipt of the engineer's completion statement – The letter was confirming the receipt of the engineer's completion statement. The Office of Drinking Water concurred with the completion statement and approved of the project going into service.
- c. Virginia Resources Authority Revolving Fund Disbursement #1 – The VRA approved a request of grant proceeds in the amount of \$7,000.00. The proceeds were received and disbursed as outlined in the disbursement request submitted by the Lane Group.
- d. Office of Drinking Water Addendum No. 1 for Crab Orchard and Beech Ave. waterline replacement – The item was for Council information. Addendum No. 1 provided a bid document change and clarification to the technical specifications. The letter stated that the Addendum was technically adequate and was approved by the Department of Health Office of Drinking Water.
- e. Office of Drinking Water Approval for Hydro-pneumatic PS Improvements PG#297-15 Planning Grant – The Department of Health Office of Drinking Water received and reviewed an application submitted for a planning grant. Upon receipt and review the VDH offered a planning grant not to exceed \$25,000. The town manager included the grant application for Councils review.
- f. Study for Speed Testing – Sharon Still made a motion to contact the Virginia Department of Transportation to request a speed study be conducted on Meadow Street. Jeff Kiser seconded the motion. A roll call vote resulted in all Ayes. The town manager will contact VDOT to request the study.

Old Business

- a. Norfolk Southern Lease Agreement – Town Attorney, William Sturgill, informed Council that an agreement must be in place by August 1, 2015 or NS will discontinue the lease. There were 3 options presented by Norfolk Southern. 1) Terminate the Agreement 2) Sign an agreement using the CPI as a factor for the yearly rate increase that NS would impose. 3) Sign an agreement that would put into place a 2% increase per year. Council agreed that terminating the contract wasn't an option. Council also agreed that CPI fluctuates too drastically. Jeff Kiser made a motion to accept the lease agreement with a 2% increase per year. Sharon Still seconded the motion. A roll call vote resulted in all Ayes.
- b. Economic Development Authority Board Appointments – Jess Powers made a motion to reappoint Veronica Buchanan to serve on the EDA. Veronica Buchanan seconded the motion. A roll call vote resulted as follows: V. Buchanan- Aye, J. Kiser – Nay, D. Mooney – Nay, S. Still – Nay, J. Powers – Aye. The motion failed.

Veronica Buchanan made a motion to nominate Dennis Bolling to serve on the EDA. Jess Powers seconded the motion. A roll call vote resulted as follows: V. Buchanan – Aye, J. Kiser – Nay, D. Mooney – Nay, S. Still – Nay, J. Powers – Aye. The motion failed.

Sharon Still made a motion to appoint Andrea Hicks to the EDA board. Deventae Mooney seconded the motion. A roll call vote resulted as follows: V. Buchanan – Nay, J. Kiser – Aye, D. Mooney – Aye, S. Still – Aye, J. Powers – Nay.

Deventae Mooney made a motion to appoint Charles (Jibber) Ward to the EDA board. Deventae Mooney seconded the motion. A roll call vote resulted as follows: V. Buchanan – Nay, J. Kiser – Aye, D. Mooney – Aye, S. Still – Aye, J. Powers – Nay.

Both J. Powers and V. Buchanan disagreed with the appointment of Jibber Ward due to lack of attendance at the Council meetings.

- c. Larry Sturgill Forensic Audit – Jess Powers made a motion to authorize Larry Sturgill to pursue the audit pursuant to the email presented on June 18, 2015 which was presented by Russell Mullins at the June 22, 2015 workshop meeting. Mr. Powers requested that the following notes be added in the motion: Mr. Sturgill was not going to be at the meeting on June 22, 2015. He needs Council to approve additional work before proceeding with the investigative audit. He has 2 composition notebooks, 10 four inch binders of information, 5 banker boxes and 1 large plastic tote. He will donate one month of time of 2 employees. He is in hopes that the time would be all that is needed but will warn Council if that time limit is exceeded. He reiterates that he needs to know if Council wishes to move forward. Veronica Buchanan seconded the motion. J. Kiser made a substitute motion to authorize Mr. Sturgill to do the investigation for one month using two people at no charge to the town. However, at the end of that time period, Mr. Sturgill needed to come back to council and report any findings during closed meeting. Upon the report Council can determine if additional funds need to be spent. Sharon Still reiterated that Mr. Sturgill stated that the investigation was ongoing and that no information could be provided. The attorney stated that he couldn't speak for Mr. Sturgill but he stated that he didn't think information pertaining to the case could be shared. He believes that Mr. Sturgill should come to council upon completion of the month if additional time is needed. The attorney advised Council to take advantage of the time that Mr. Sturgill is offering for free and then go evaluate the situation upon completion. Jeff Kiser withdrew his substitute motion. Mayor Kiser called for a roll call vote which resulted in all Ayes.

Jess Powers made a motion to have the town attorney request an official advisory opinion in accordance with paragraph 2.2-505 of the code of Virginia to inquire whether a Council member under the conflict of interest act with a

personal lawsuit filed against the Town of Coeburn can or can't vote on budget and financial transactions of the town. He stated that it was in the best interest of the town and the citizens to get an official opinion of the commonwealth of Attorney's office so that no one on Council will be prosecuted. Veronica Buchanan seconded the motion. A roll call vote resulted in all Ayes.

Council Comments and Concerns:

Veronica Buchanan reported that a silent auction was held during the Fourth of July. She stated that there were items remaining and that an auction would be held during the Cruise Inn on Main Street.

Jess Powers stated that he felt that Council needs to work more for the public and not keep things behind closed doors. He stated that Council needed to stop having meetings without all Council members informed. He is glad that Council decided to move forward with requesting an opinion on conflicts of interest.

Sharon Still stated that EDA applications were received on Friday and that Council did not act quickly on the elections for EDA. She felt that Andrea Hicks would be an asset to the town and the economic development of the town. She stated that she was not aware of any illegal meetings that were taking place.

Jeff Kiser made the statement that in order to have an official meeting of Council 3 members must be present. If 3 members are not present then it would be considered a conversation, not a meeting. He stated that conversation among individuals is a healthy process and conversations regarding issues have taken place since the beginning of time.

Adjournment

Jeff Kiser made a motion to adjourn the meeting. Deventae Mooney seconded the motion which resulted in all Ayes.

There was no Council comments or concerns.

Respectfully Submitted,

ATTEST: Christy L. McCoy, *Clerk* Jeffery G. Kiser, Mayor