

TOWN OF COEBURN

**Council Minutes – Special Called Meeting
April 1, 2014, 6:30 p.m. – 502 Front Street E, Coeburn, VA**

Attendees: Upon a roll call vote Council members present were: Veronica Buchanan, Carles Collins, Charles Kiser, Jeff Kiser and Jess Powers. Also present were, Christy McCoy - Clerk/Treasurer, and Russell D. Mullins – Town Manager.

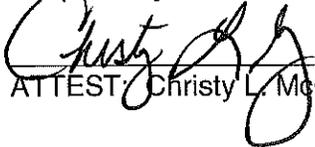
Call to Order: Mayor Jess Powers called the meeting to order.

Business:

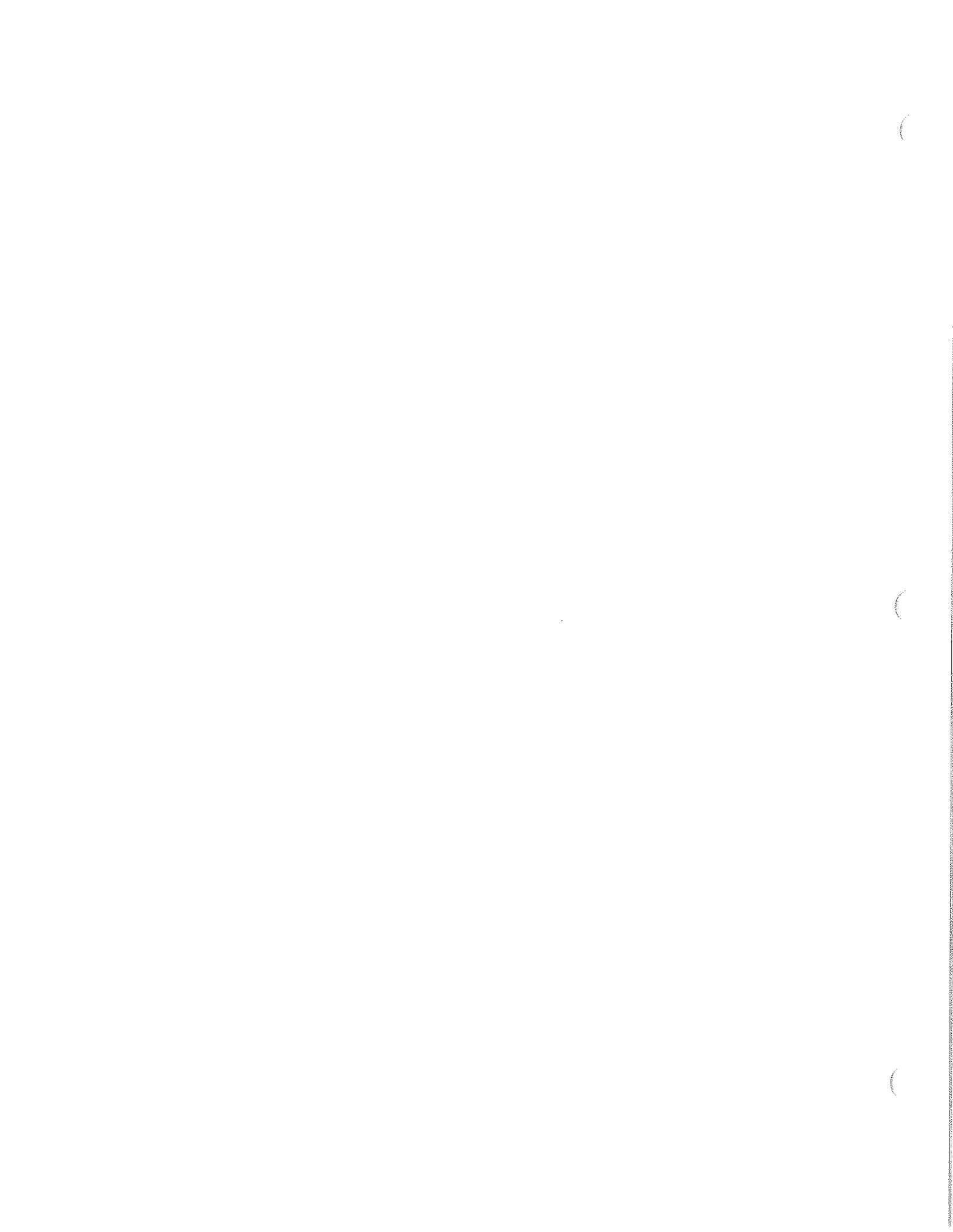
Town Manager Mullins presented a preliminary budget for the Town of Coeburn, which outlined the cost for the town to re-establish the public works department. The preliminary budget showed a cost savings of \$410,456/year. Council discussed the budget that was presented and asked for clarification on several line items. The town manager explained that the budget was only a preliminary comparison of the services that the town receives from Veolia Water versus what the town will pay. Council's questions were in regards to overtime, chemicals, equipment, administration, contingencies, uniforms and sanitation. Upon Councils review, Mr. Mullins will make the necessary changes and present another draft at the regularly scheduled meeting.

Adjournment: Mayor Powers adjourned the meeting.

Respectfully Submitted,


ATTEST: Christy L. McCoy, Clerk


Jess R. Powers, Mayor



Council Minutes – Regular Meeting
April 14, 2014 – 6:30 p.m. – 502 Front Street E, Coeburn, VA

Attendees: Council members present: Veronica Buchanan, Carles Collins, Charles Kiser, Jeff Kiser and Jess Powers. Also present were, Gary Gilliam – Town Attorney, Christy McCoy - Clerk/Treasurer, Russell A. Mullins – Town Manager and Jimmy Williams – Police Captain.

Call to Order: Mayor Jess Powers called the meeting to order.

Mayor Powers asked Joe Still to give the invocation. The group remained standing for the Pledge of Allegiance.

Public Expression

1) *Public Expression:*

Jackie Barlow, 406 Prospect Avenue was concerned about accusations that she had been personally attacking Council members. Ms. Barlow wanted to clarify that she had not discussed any Council members with any other citizens. She had discussed the current financial situation of the town as a whole.

Mike Wright, 703 2nd St., discussed the number of citizens that currently attended Council meetings in comparison to previous attendance of meetings. Mr. Wright encouraged unity between Council members for the betterment of the town. He discussed moving forward and implementing a plan for the future leaving decisions that were previously made in the past. Mr. Wright expressed concern about the experience of the town manager.

Jeff Collins, 202 Front St. E. commended the effort of the town manager. Mr. Collins was concerned about the amount that is paid to CNW.

Frank Ward, 517 East Front Street commended Council and the town manager for organizing the Founder's Day event. He spoke in favor of Founder's Day, 4th of July Fireworks, Cruise In and the Guest River Rally because it helps bring money into the downtown area.

Pauline Ratcliff, 305 Ball Road, thanked Council for organizing the Founders Day event. Ms. Ratcliff spoke in regards to a political sign located in a private cemetery.

Shirley Cassidy, 704 Plum Ave. commended Council and the Founder's Day volunteers for organizing a successful event. Ms. Cassidy made everyone aware of the extra funds going toward the construction of a Special Needs Park in Coeburn. She also reminded citizens that there is a flag fund open for contributions for the flag replacements on Flag Hill. She also asked about the resolution passed in November regarding the Mike Gibson Memorial Bridge. The town manager informed her that VDOT needed to complete the paperwork.

Doug Neal, 719 Second St. spoke regarding all the negativity surrounding the town due to recent newspaper articles. He stated that a newspaper should print the facts and he felt that

many articles were misleading. He spoke regarding the negativity surrounding the town due to the former town manager and the financial situation of the town.

Joe Still, 209 Grand Ave., addressed Council and the citizens that attended the meeting. Mr. Still stated that it was obvious that the town is divided. He asked everyone to unite and work together for the betterment of the town. Mr. Still stated that a house that is divided will not stand.

Clarissa Falin, 507 Cap Lane, wanted to thank Council for the Founder's Day event that was held in an effort to raise money for the construction of the Special Needs Park.

There was no further public expression. Public expression was closed.

Approval of Agenda (amendment by majority vote)

Town Manager Mullins asked Council to add approval of Resolution #14-004, regarding the 2 pump stations located at Maytown and South Coeburn to the agenda. Jess Powers made a motion to add Resolution #14-004 of the Town of Coeburn, Virginia Hydro-Pneumatic Pump Station Improvements, Water Treatment Plant Improvements and Transmission Waterline Evaluation Preliminary Engineering Report to the agenda as Item J. under New Business. Veronica Buchanan seconded the motion, which resulted in all Ayes.

There being no further amendments to the April 14, 2014 proposed agenda, Charles Kiser made a motion to approve the agenda. Jess Powers seconded the motion, which resulted in all Ayes.

New Business

- A. Virginia Retirement System Employer Retirement Contribution Rate Election – Town Manager Mullins provided Council with the employer retirement contribution rate election. Ms. McCoy explained to Council that there were two choices for the election. There was an 18.6% certified rate or a 14.53% rate, which is 80% of the VRS Board-certified rate. Ms. McCoy advised council that the reduced contribution would mean fewer assets available for benefits. She also advised that the lower rate could also mean a higher calculated contribution rate during the next Actuarial Valuation. She reported that the previous Council opted to take the reduced rate.
- B. Virginia Water Supply Revolving Fund Request for Categorical Exclusion – Town Manager Mullins advised Council that this would be properly advertised beginning Friday, April 18, 2014. The town would be required to pay for the advertisement.
- C. Grant Fund available to Dam Owners and Local Governments – The application that the town manager received had a May 1, 2014 deadline. He asked if Council was interested in applying for the funds. The Mayor questioned if this was a grant that was previously applied for and awarded to the town for the Tom's Creek Dam Project. Mr. Mullins would speak with the Lane Group to verify the previous funds and report back to Council.
- D. Byrne Justice Assistance Grant, 14-P1023LO13 was awarded to the town. Jess Powers made a motion to accept the \$3,219.00 award with a required cash match fund of \$322.00. Veronica Buchanan seconded the motion, which resulted in all Ayes.
- E. Eastside High School request for Homecoming Parade – Mr. Mullins informed Council that Eastside High applied for the homecoming parade permit. He will apply for the permit with Virginia Department of Transportation. He asked that all road closure permits or parade permits be handled by himself. He would relay any information to Council.

- F. Virginia Department of Health office of Drinking Water Monthly Report – The town manager presented the monthly water usage report. He stated that the report was normal.
- G. Evaluation of the results of the halo acetic acid analyses – This report was for Council's information. Jeff Kilgore, Veolia Water Project Manager informed Council that this is a quarterly test that is required and that the town is in compliance.
- H. Aerospace Days at Lonesome Pine Airport is scheduled to be held April 26-27, 2014. All Council members were invited to attend the event.
- I. Public Works Budget – Town Manager Mullins updated the public works budget that was presented on April 1, 2014. He presented an amended public works budget which included CNW costs and other expenses that would be incurred. Councilman Jeff Kiser questioned the total public works cost that was given when he compared the April 1, 2014 budget to the budget that was presented during the meeting. The town manager explained that the new budget reflected salaries and health insurance premiums for the employees that would be rehired to operate public works. Councilman J. Kiser asked when the vote to take public works back was taken. The town manager stated that it was Council's consensus to proceed with sending a letter to terminate the Veolia Water contract early. Mayor Powers stated that the consensus was to get a letter to Veolia Water to inquire the cost of early termination. Mayor Powers and Councilman Kiser requested the early termination figures. Town Manager Mullins stated that the letter requested that the contract terminate April 21, 2014. Councilman J. Kiser stated that he did not see how the town can terminate a contract without an official vote to do so. He reiterated that all the costs associated with the early termination needed to be presented to Council. Vice Mayor Charles Kiser suggested the meeting be recessed for 3 days in order for the town manager to gather all the needed information to make a decision. The town manager would provide Council with the figures prior to the meeting. Council agreed to recess the meeting until Friday, April 18, 2014 at 4:00 p.m.
- J. Resolution # 14-004 – Town of Coeburn Hydro-Pneumatic Pump Station Improvements, Water Treatment Plant Improvements and Transmission Waterline Evaluation Preliminary Engineering Report. Jess Powers made a motion to pass Resolution #14-004. Veronica Buchanan seconded the motion, which resulted in all Ayes.

Old Business

- A. Fireworks for July 4, 2014 – Town Manager Mullins requested that Council give direction on the intention of presenting the July 4, 2014 Fireworks display. The company that is responsible for the fireworks show is setting their schedule and needed to know if the Town of Coeburn would be scheduling a show. Veronica Buchanan made a motion to change the July 4th celebration to July 5th at 10:00 p.m. scheduling with the current company. Vice-Mayor C. Kiser asked about the donations that were collected for the fireworks display. Captain Jimmy Williams reported that approximately \$380 was in the Firework fund. Jess Powers seconded the motion. Councilman J. Kiser stated that he couldn't see spending that money on a fireworks display while the town was in a financial hardship. Vice Mayor C. Kiser stated that he had been approached by a number of citizens in favor of the display. Mayor Powers called for the vote which resulted as follows: V. Buchanan- Aye, C. Collins – Aye, C. Kiser – Aye, J. Kiser – Nay, J. Powers – Aye.
- B. Request to Farm Old Lagoon Property – Council discussed a request that was made by a citizen to farm the Old Lagoon property. The town attorney advised Council that the town could lease property upon its discretion. The property was previously a dumping ground for solid waste therefore it could possibly have DEQ restrictions. There was also a question as to whether the property would be considered a designated wetland. Town Manager Mullins

will discuss these issues with the proper authorities and report back to Council. The item would be added to the recessed meeting agenda.

- C. Comprehensive Plan – Doug Neal, Planning Commission spoke regarding the comprehensive plan that was presented to Council. After considering the comments and suggestions that were given by Mr. J. Kiser he felt as though those issues were addressed within the plan. Charles Kiser made a motion to adopt the plan as presented. Charles Collins seconded the motion. J. Kiser commented that there were issues that should be addressed. One issue was mobile homes being zoned into the town. A roll call vote resulted as follows: V. Buchanan – Aye, C. Collins – Aye, C. Kiser – Aye, J. Kiser – Nay, J. Powers – Aye.

Reports

Town Manager

Russell D. Mullins reported working on the public works department budget. Mr. Mullins also worked on the Founders Day event. J. Kiser asked the town manager if the town would generate a surplus of revenue from the savings of the non-renewal of the Veolia Water contract. The town manager reiterated that there will be surplus revenue generated.

Attorney

Gary Gilliam said that upon concern about the potential income of the town's finances, he was happy to believe that the town may be back in the position to be back in the black and not continuing in the red.

Treasurer/Clerk- Christy McCoy

Ms. McCoy presented the reconciled cash report. The balances were as follows: Combined Account balance \$130,849.81 and Redi-Access Balance \$101.35. She discussed the interim accounts payable and the accounts payable due. Both in the amount as follows:

Interim Accounts Payable - \$ 105,327.31

Accounts Payable Due - \$181,595.30

Jeff Kiser made a motion to approve the accounts payable due and the interim accounts payable as presented. Charles Kiser made a substitute motion to pay the accounts payable deducting the monthly rental amount from Veolia Water. Veronica Buchanan seconded the substitute motion. The motion resulted in all Ayes. Mr. J. Kiser noted that he was concerned about deducting the rental amount. Mr. C. Kiser commented that the town attorney advised that this was acceptable.

Ms. McCoy presented the minutes for Council's approval.

- March 10, 2014 – Regular Meeting – Charles Kiser made a motion to accept the minutes as written. Veronica Buchanan seconded the motion which, resulted in all Ayes.
- March 17, 2014 – Recessed Meeting – Charles Kiser made a motion to accept the minutes as written. Jess Powers seconded the motion, which resulted in all Ayes.
- March 24, 2014 – Public Hearing – Charles Kiser made a motion to approve the minutes as written. Veronica Buchanan seconded the motion, which resulted in all Ayes.

- March 24, 2014 – Workshop Meeting – Charles Kiser made a motion to approve the minutes as written. Carles Collins seconded the motion, which resulted in all Ayes.
- February 10, 2014 – Regular Meeting (Amended)
- February 18, 2014 – Special Called Meeting/Public Hearing (Amended)
- February 24, 2014 – Workshop Meeting (Amended)

Charles Kiser made a motion to approve February 10, 18 and 24 as amended and presented during the March workshop. Veronica Buchanan seconded the motion, which resulted in all Ayes.

Special Projects

Shirley Cassidy – Farmers Market: Ms. Cassidy asked about the hand washing basin that would be delivered. She asked what date the delivery would be made. Mayor Powers would update Ms. Cassidy on a date as soon as possible. The Mayor commented that he would like for her to be there upon delivery to have her picture made for the local newspaper.

Police Department – Jimmy Williams, Captain

Captain Williams gave the March activity log event summary reporting 692 total events. Some of the events included business checks, vehicle stops, extra patrols, and citations. The police department submitted the Virginia Highway Safety Grant and was waiting approval. Council thanked the police department for the assistance during the Founders Day event.

Fire Department

Chief Hawkins did not present a report to Council. The fire department is transitioning to electronic reporting. He will present the report during the next regularly scheduled Council meeting.

Public Works- Jeff Kilgore, Project Manager

Mr. Kilgore reported the projects and duties performed by Veolia. He reported the repairs and maintenance that had taken place in all departments. He also reported that Master Meter recently visited to troubleshoot some of the meter issues that the town had been having. Master Meter requested that the radio receiver be sent back and repaired or replaced. Council thanked Mr. Kilgore for the services that he provided for the town during his time as Veolia's Project Manager

Founder's Day Committee

Charles Kiser reported that the Founder's Day event was very successful. He thanked all the sponsors that contributed to the event. He also thanked everyone that assisted with the event and all that attended. He thanked Ms. Debbie Shelton for her time and effort that she contributed to the event.

Council Comments and Concerns

Mr. J. Kiser made the comment that the early termination of the Veolia contract was not communicated among Council and administration. He expressed the need for better communications.

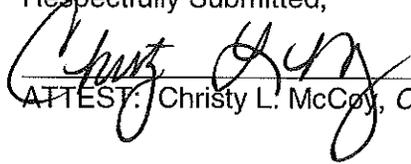
Charles Kiser addressed a public expression comment that was made during the meeting. The comment was that the town did not have a plan to move forward. He discussed the initiation of

the reformation of the public work department in an effort to save the town money. He asked that all requested that a small budget committee be formed to revise the budget due to the town's financial crisis. .

There were no further Council comments or concerns.

Adjournment: Jeff Kiser made a motion to recess the meeting until April 18, 2014 at 4:00 p.m. Veronica Buchanan seconded the motion which, resulted in all Ayes.

Respectfully Submitted,


ATTEST: Christy L. McCoy, Clerk


Jess R. Powers, Mayor

Council Minutes – Recessed Meeting
April 18, 2014 – 4:00 p.m. – 502 Front Street E, Coeburn, VA

Attendees: Council members present: Veronica Buchanan, Carles Collins, Charles Kiser, Jeff Kiser and Jess Powers. Also present were, Gary Gilliam – Town Attorney, Christy McCoy - Clerk/Treasurer, Russell A. Mullins – Town Manager.

Call to Order: Mayor Jess Powers called the recessed meeting to order.

Old Business

- a. **Public Works Budget:** As requested during the April 14, 2014 regular meeting, Town Manager Mullins provided Council with Veolia Water's early termination expenses. When compared to the regular monthly fee, the town manager showed an early termination savings of (\$45,395.20). The expense summary outlined the following costs: early termination fee, severance benefits and the prorated Veolia April and May Invoice charges. The town manager compared Veolia's monthly service fee, which was \$117,866 per month, all termination fees and service fees. The final termination cost was \$176,799.00.

Councilman J. Kiser presented a Veolia early termination calculation that he completed. Mr. J. Kiser's summary showed the early termination costing the town \$22,473.21. He stated that the costs were calculated using the budget that the town manager presented at the April 14, 2014 regular meeting.

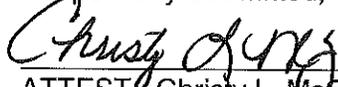
The town manager disagreed with Mr. J. Kiser's calculations. Town Manager Mullins explained that the \$45,395.20 savings did not include operations. He only included salaries and benefits. There was no gasoline, chemicals or repair/maintenance included. Mr. Mullins explained that the town's chemical supply would be replenished by Veolia upon contract termination. After debating the cost/savings of early termination, Mr. J. Kiser asked why Council was discussing the cost of termination when there was never an official vote taken to terminate the Veolia contract early. Mr. J. Kiser asked the town manager who authorized the early termination? Town Manager Mullins explained that he requested the termination upon the request of Council. He stated that Council instructed him to write a letter requesting the cost of early termination. He explained that upon the request of the cost, Veolia asked for a letter that stated the town was requesting early termination. Upon Veolia's request the town manager sent the letter. J. Kiser asked to see a copy of the letter from Veolia water that requested a letter of termination. Upon the request Mayor Powers recessed the meeting to allow the town manager to leave the meeting to retrieve the letter and provide copies to Council.

Upon the town managers return Mayor Powers called the meeting to order. Mr. J. Kiser read the letter that was written requesting the early termination. The letter requested that the contract terminate April 21, 2014. Upon further discussion Mayor Powers entertained a motion to terminate the Veolia Contract paying a \$48,897.60. There was no motion made. J. Kiser asked what the town would do upon no action, in lieu of the termination letter sent to Veolia with a termination date of April 21, 2014. Vice Mayor Charles Kiser stated that upon no action by Council and per Veolia contract, Veolia should be conducting public works until May 15, 2014.

- b. Request to Farm Old Lagoon Property– Town Manager Mullins discussed the request that was recently made to farm the Lagoon property. Per Council's request he contacted DEQ and was informed that there were no restrictions attached to the property. Upon discussion of the request, Jeff Kiser made a motion to decline the offer. Veronica Buchanan seconded the motion which resulted in all Ayes.

Adjournment: Charles Kiser made a motion to adjourn the meeting. Carles Collins seconded the motion, which resulted in all Ayes.

Respectfully Submitted,


ATTEST: Christy L. McCoy, Clerk


Jess R. Powers, Mayor