

**Council Minutes**  
**Regular Meeting**  
**December 12, 2016 - 6:30 p.m. – 502 Front Street E, Coeburn, VA**

**Attendees:**

Upon roll call, all members of Council were present. Scott Brooks – Chief of Police, Misty Yates, Clerk/Treasurer, Russell A. Mullins – Town Manager, and William Sturgill – Town Attorney were also present.

**Call to Order:**

Mayor Kiser called the meeting to order. Deventae Mooney gave the invocation. Front Street Cruise-In led the pledge of allegiance.

**Public Expression:**

There was no public expression.

**Approval of the Agenda:**

Sharon Still made a motion to add Front Street Cruise-In to the agenda under Reports, Item ‘A’, 1. Deventae Mooney seconded the motion, which resulted in all Ayes.

Jeff Kiser made a motion to move The Lane Group on the agenda from Reports, Item ‘A’, ii to Item ‘A’, 2. Mike Wright seconded the motion, which resulted in all Ayes.

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

**Reports:**

*Front Street Cruise-In*

Kelsey King, Pageant Director of Miss Front Street Cruise-In thanked the Town for having them again this year. Speaking on behalf of the organization, she wanted to recognize their success for raising money for the special needs park over the last three years. She reported that on November 10, 2014, they presented their first check to the Town in the amount of \$2,110.00 and on December 14, 2015 they presented a check in the amount of \$4,230.00. Ms. King recognized Tammy and John Robinson for all their hard work and everything they do for the Town and Front Street Cruise-In organization. She also recognized Miss Front Street Cruise-In 2016, Makia Phillips and Junior Miss Front Street Cruise-In 2016, Zoe Phillips. Ms. King thanked all the local businesses who help with Front Street Cruise-In and those who have also donated money to this project. She also thanked God for leading them in their efforts and great success. Ms. King presented this year’s

check to the Town of Coeburn in the amount of \$5,145.75. She added that their organization had worked extremely hard over these last three years raising a grand total of \$11,485.75 for the building fund of the special needs park. Front Street Cruise-In has been the leading donor for three years running. She shared their commitment to strive in their fund-raising efforts for our great town and were looking forward to seeing progress made during the upcoming year.

Mayor Kiser thanked Front Street Cruise-In for their huge impact with the special needs park.

### The Lane Group

Chris Mullins, with The Lane Group provided Council with a handout as an update on the Water Project and was pleased to announce that the project now has an alternative package to fully fund this project in the amount of \$4,030,000.00. Mr. Mullins informed Council that as of today, VA Department of Health is willing to provide the remaining \$700,000 in funding needed - \$500,000 will be grant funds and an additional \$200,000 in loan funding. Mr. Mullins explained his handout. He referenced that the top left hand corner was the original funding package alternative "wish list" and the top right hand corner is the current funding package alternative that we have been given. Mr. Mullins stated today's package is 36% grant funding for 100% of the project. Mr. Mullins explained the middle section of his handout is loan only funding sources for the project. This includes Rural Development funding of \$2,035,000 with an interest rate of 1.65%, the initial VDH funding of \$361,000 with an interest rate of 2.65% and the additional VDH funding of \$200,000 with an interest rate of 2.65%. Mr. Mullins noted that VA Department of Health honored the previous interest rate that had been offered. He also commended Council for previously taking action on the Rural Development package. Mr. Mullins explained that they had other projects currently in queue and that the interest has now gone up by a percent. He noted that the Town saved a ton of money acting when they did on the Rural Development Package. Mr. Mullins advised that annual payments will be \$70,584 for Rural Development, \$17,603 for the initial VDH loan and \$9752 for the additional VDH loan funding with a total annual payment of \$97,939. Mr. Mullins also explained that the monthly loan payment for the original funding package, which lacked \$700,000 to complete, was \$7,340. He advised with all the loans and grants in place with the current funding package, the monthly payment for the complete project will be \$8,162 for 40 years. Mr. Mullins stated that he had previously estimated the percentage of rate increase somewhere between 12% - 15%. Mr. Mullins explained that these are now real numbers noting a 13.34% utility percentage rate increase or an approximate 4.44% increase over a three year period of time.

Mr. Mullins acknowledged this was a great deal of information being presented and the question is now how quickly do we need to act. Mr. Mullins stated that they needed to act quickly but did not think it was fair to ask Council to act tonight. He asked Council to act in January and recommended at the conclusion of tonight's meeting, Council go into recess and meet with himself and other members of The Lane Group on Thursday, December 15, 2016 to focus solely on this one topic, answer any questions, making sure everyone has a clear understanding before moving into January for a vote.

Mr. Mullins also gave an update on the Sheffield Acres Corder Town Pump Station Project. He advised that the additional work will begin next week by contractors. Mr. Mullins also noted that we also have the \$100,000 Health Department Grant Project ready to bid in Spring for the Crab Orchard #2 Project.

Town Manager, Russell Mullins stated that the original offer, on the previous project discussed, was 47% loan and 53% Grant before this package that is now being offered. Mr. Chris Mullins reported that the State's Grant Funding average in this year's funding cycle was approximately 20% noting that the Town of Coeburn was at 36% for Grant Funding, one of the top three in the State this year. Mr. Chris Mullins reminded Council that without the loan components, this project is a "no go;" they will not give just the free money. Mr. Mullins also advised that this is an attractive offer and did not think a better offer would be received if we waited until next year. Advising that if they did go after DHCD CDBG \$700,000 funding, he feels that no funding would be received due to the scoring factors of this project.

Mayor Kiser advised Mr. Mullins that Council would like to meet with The Lane Group on Thursday, December 15, 2016 at 5:00 p.m. at the Depot for an open meeting to gather any additional information needed. Mayor Kiser also inquired about the time restraints with this offer. Mr. Mullins advised that where the information was just received today, timing was in our favor and there is a January time restraint to make a decision.

#### Town Manager

Town Manager, Russell A. Mullins reported that he is already working on the budget as reported in last Regular Meeting. Mr. Mullins' referenced Treasurer's handout showing percentage of 2016 Real Estate Taxes and Personal Property Taxes collected to date as well as anticipated revenue for the next 30 days. Mr. Mullins advised that we are slightly down in revenue for both taxes and utilities. He explained that this does fluctuate year to year and goes in line with other factors beyond our control. Mr. Mullins explained that we will see a slow down this time of year and that revenues should be back to normal in January/February months.

Mr. Mullins advised Council that he had reviewed minutes for the last workshop meeting. In reviewing Art Meade's presentation, he mentioned a \$200,000 discrepancy in Utility Revenue. Mr. Mullins explained that this number was based off of 100% of the population if all the houses for sale in Coeburn would be up. He advised this was not missed revenue, it is potential revenue out there but cannot be counted on for budgetary process. Mr. Mullins explained that he takes the total amount billed in utilities for the year and uses 93% or 94% of that number for the revenue budget. He advised that we had collected 85% of 2016 Real Estate Taxes and 79% of Personal Property Taxes. Mr. Mullins also noted that Revenue for April was shifted to December. The vehicle license decal fees are due December 15, 2016. He advised that between now and May 1<sup>st</sup>, there will be no additional revenues coming in. Mr. Mullins did advise that after talking with C N W, there is a potential overpayment in the approximate amount of \$26,000 that will likely be returned to the Town of Coeburn in January or February. He also informed Council of the \$11,000 VML Insurance Check received for the loss of the Police Department black. vehicle. Mr. Mullins

also advised there was also another potential check from VML in the amount of \$15,000 for the embezzlement case.

Mr. Mullins reported that the VA Department of Housing & Urban Development, the snow recovery funds, will need two or three names to serve on an oversight committee. He recommended one person from Council, one person from Planning and one person from Zoning to serve. Mr. Mullins advised that currently himself and Jessica Swinney, Wise County GIS and Emergency Management. Mayor Kiser asked for additional time to consider who would serve.

Mr. Mullins advised Council that there was a serious incident that occurred recently in Lebanon, VA involving a garbage truck and the worker being seriously injured which had prompted VML to go out statewide and look at compliance with garbage trucks. Mr. Mullins reported that one truck was in compliance and the second truck, one arm was slightly bent and will be fixed in the immediate future to meet compliance. Mr. Mullins reported he had talked to our garbage workers and they are using these safety bars.

Mr. Mullins informed Council that VML does offer a 5% reduction if we meet 100% of their safety measures. When he came on board, we were at 17% - 23% of their Safety Compliance and as of two weeks ago, we were at 85% of their compliance. Mr. Mullins stated it is a process of meeting their safety compliance and he is hopeful we will be able to save the 5% of the \$78,000 in the very near future.

Sharon Still inquired about the street lights. Mr. Mullins advised that in talking with Scott Martin, Senior Liabilities Manager with VML, the way the insurance policy works for street lights is we turn in the claim to VML, VML goes back and forth between us and the other insurance company and we pay the \$1,000 deductible on property. Mr. Mullins noted that on vehicle claims, there is no deductible. We have to turn it into VML because it was damage done to our property. Mayor Kiser added he is awaiting a response from VML regarding the question of the insurance policy's policy that we are the person who has been damaged but we are penalized by a deductible and we are dealing with VML. He, along with others does not agree that this is right. Town Manager explained that we had also asked that this deductible be waived and it is their policy that on property damage, they do not waive the deductible. Mr. Mullins reported that street lights are \$2200/\$2300 per light less the \$1,000 deductible, we will likely receive \$1,300 per light adding that VML will also pay for the installation costs.

Sharon Still asked if Little League had been billed for the tent damage. Mr. Mullins reported the bill had been sent to the Little League's post office box and we haven't received anything returned.

Ms. Still also asked about the pumps at Sheffield Acres making sure that they are on a regular monthly schedule to clean and maintenance these. Town Manager advised that they are on a regular monthly schedule. He also informed council that VDH requires all pump stations to be mowed around and we would be using Camp 18 to complete.

Ms. Still inquired if the generators needed to be set up and put online at the Treatment Plant could be included in the program. Town Manager advised that these could be included in the program. He also reported that within the next two years, the Town would have to address the dam to

maintain its structural integrity. Mr. Mullins said estimated cost of these repairs four years ago were \$78,000 compared a cost estimate now between \$100,000 to \$115,000. He noted that there are engineering plans that were done previously by The Lane Group and we know what type of work needs to be done and how it needs to be completed.

Mike Holbrook asked if we were still drawing water from the mines. Danny Jordan responded that we were not drawing water from the mines and were currently back on the reservoir. Sharon Still asked that going forward, once a warning had been issued, that a follow up notice be again issued noting it had been resolved.

Mayor Kiser asked that the safety features of the garbage truck be repaired, arms painted a bright orange color and make sure workers are aware that they are there and using these correctly as soon as possible after meeting with the VML auditor.

Mayor Kiser reviewed that at the last workshop meeting, during public expression, there were a few people asking about the town's alternative to the decals. He noted that in reviewing this year's statement, it was showing as a personal property tax, which is not what it really was; acknowledging why he could see some confusion around these bills. Mr. Mullins explained that this issue has been resolved and it was a software issue this year and how it was categorized by Southern Software. Town Attorney, William Sturgill explained this fee was a Motor Vehicle User Fee. Mr. Mullins stated the Town was saving quite a bit of money not printing decals. He also explained that having this fee coming due at the same time as personal property taxes allowed us to follow suit with the County. If a person has not paid this fee, when they go to renew their tags, we can place a stop that requires them to pay this prior to being able to renew their vehicle tags. Deventae Mooney asked if the County was still getting a portion of this fee. Mr. Mullins explained that the County previously received \$5 from each and they did away with receiving this portion about two years ago and now the entire fee was kept within the Town.

As a reminder, Mayor Kiser stated that last year Council passed a requirement that there would be a balanced budget by April 1<sup>st</sup>. Council does expect a balanced budget presented to them by April 1<sup>st</sup> again this year to consider. Mr. Mullins advised he begins working on the budget process in mid-December. Mayor Kiser would like to see Mr. Art Mead active again this year in the budget process.

#### Public Works:

Danny Jordan, Public Works Director, thanked the Police Department, Fire Department, Coeburn Improvement Association and his crew for all their hard work with the behind the scenes set up for the parade. He also thanked Camp 18 and Job Corps for sending their electrical people to help hook up the antique lights.

Town Manager also reported that Camp 18 was working on the Love Sign project. They have fabricated this sign, will be painting it and the sign will be finished in the near future. It will be placed outside the Depot. He advised that the under Accounts Payable, Council would see a few line items that reflect Love Project. He advised this project will be no cost to the Town. UVA-

Wise Grants will reimburse the Town. Mr. Mullins explained that the applicants were required to front the money up front and then will be reimbursed. Mayor Kiser discussed the State of Virginia has this Love sign project going on in different localities throughout the state and there is also a \$1500 grant that goes along with this project. Mr. Mullins explained that localities had two options in using these funds. They could either rent a Love sign or construct one. Mike Holbrook further added all of these were project specific grants and the Love Project Sign was a way to bring local tourism to the Town and that ours is unique.

### Fire Department

A representative from the Fire Department gave the monthly activity report for the month of November. He reported there were 19 calls total, 121.5 total man hours for calls, 101 total personnel responding and there were 210 training hours during the month and no assist calls.

Sharon Still thanked the Fire Department for their support of the One Act Team coming back into Town. Mayor Kiser asked about parking and accessibility to get out of the fire department with the bridge construction and barriers. The representative advised they were not having any problems.

Mayor Kiser also inquired about the Fire Department sending a team to help in Gatlinburg with the recent fires. The Representative shared a few members took supplies down and helped out as much as they could.

### Treasurer

Misty Yates, Clerk/Treasurer, reported a posted cash balance of \$165,558.58. She reported outstanding checks in the amount of \$17,862.79, accounts payable due in the amount of \$74,734.50, and interim accounts payable in the amount of \$37,943.26. After deducting the accounts payable and outstanding checks, the reconciled cash balance was \$72,961.29.

Ms. Yates presented the meeting minutes for the November 14, 2016 Regular Meeting and November 28, 2016 Workshop Meeting.

Sharon Still requested that Town Attorney, William Sturgill prepare a new resolution for Eastside One Act Team. Mayor Kiser recommended inviting the group down in January for the vote.

Mayor Kiser asked about Ferrell Gas. Town Manager advised he had talked with Ferrell Gas and they have agreed to lock the price at \$1.19 until June. After June, it will go down to \$1.09.

Sharon Still made a motion to approve the accounts payable as presented. Mike Wright seconded the motion, which resulted in all Ayes.

Sharon Still made a motion to approve the interim accounts payable as presented. Deventae Mooney seconded the motion, which resulted in all Ayes

Deventae Mooney made a motion to accept the November 14, 2016 Regular Meeting Minutes as presented. Sharon Still seconded the motion, which resulted in all Ayes.

Deventae Mooney made a motion to accept the November 28, 2016 Workshop Meeting Minutes as presented. Mike Wright seconded the motion, which resulted in all Ayes. Sharon Still abstained from voting.

Sharon Still asked about an update on Paymentus. Town Attorney advised there were a couple of issues, he had written his concerns and given them to the Town Manager to submit to see if Paymentus will amend the contract.

### Police Department

Chief Scott Brooks thanked the Coeburn Improvement Association for making the First Responders the Grand Marshalls of the Christmas parade. He also congratulated Eastside's One Act Team on their State Championship. Chief Brooks also gave the police activity report for the month of November 2016. There were 1,568 events that took place during the month. He gave a summary of the events.

Sharon Still thanked the Police Department for their Escort of Eastside's One Act Team coming back into Town.

Mayor Kiser congratulated Chief Brooks along with all of the First Responders, the honor of the Grand Marshalls of the Christmas Parade was very well deserved and going out of their way to help with traffic conditions during the parade and still being able to fall in at the end of the Parade.

Mike Wright also recognized the Police Department and Fire Department on the excellent job that they do.

### Attorney Report

William Sturgill, Town Attorney, reported that the injunction dealing with the fair standard labor act was still in place until further notice. Town Manager stated that the Department of Labor did send an intent to appeal. Mr. Sturgill advised Council if something changes with the injunction, there should be enough notice to make proper arrangements.

### **New Business:**

- A. Monthly Water Report – Town Manager presented the Virginia Department of Health Office of Drinking Water Report for the Month of November.

- B. Comcast Price Changes – Included by Town Manager to let citizens know of upcoming price changes by Comcast and changes in their channel lineup effective January 1, 2017.
- C. CNW Public Hearing on Monthly User Charges – Town manager advised that CNW has a potential decrease of \$8.00 on monthly user charges. Mr. Mullins explained our current CNW Monthly User Charge of \$27,805 will decrease to \$27,797 going forward next year.
- D. Airport Commission Report – Town Manager provided a copy of Cumberland's Airport Commission meeting report for the month of December 2016. Mr. Mullins congratulated officers elected: Donnie Rose, Chairman and George Dean, Vice Chairman.
- E. Point of Life Ministries – Town Manager reported this is the second year that Point of Life Ministries will be providing Christmas dinner to those less fortunate here in our area. Mr. Mullins advised that he had waived the Depot rental fee to allow the ministry to have a facility here in Town to host this outreach event on Thursday, December 22, 2016. Anyone who would like to donate to this endeavor is asked to contact Pastor Walter Porter.
- F. Christmas Bonus - Town Manager reported Christmas Bonuses had been previously discussed back in June. Mr. Mullins had originally put \$500 per employee in the budget and at the request of Council, it was taken out and agreed upon if we had money at that time, it would be assessed. Mr. Mullins asked Council for a reduced amount of \$250 for all 28 employees. He stressed the benefits of this bonus would help boost employee morale seeing that this makes at least the 4<sup>th</sup> year without a bonus to employees. Mr. Mullins stated he feels extremely comfortable with this request both personally and professionally.

Mike Holbrook asked Mr. Mullins about his assessment of the overall budget and the ability to pay this \$7,000 bonus amount.

Sharon Still expressed her concern about the amount of the bonus request and being a good steward of the citizens' monies. Ms. Still stated she would recommend a \$100 bonus after taxes had been withheld for employees. Mayor Kiser asked what amount would employees would receive from a \$250 bonus after taxes were taken out. Ms. Yates estimated employees would receive approximately 70% of the gross amount or \$175. Mike Holbrook made a motion to split the difference and give employees a Christmas bonus of \$135 after taxes. Mike Wright seconded the motion. Deventae Mooney made a substitute motion to go with Town Manager's recommendation and give all current employees and one previous employee a \$250 Christmas bonus before taxes. Sharon Still seconded the motion, which resulted in all Ayes.

Deventae Mooney recommended that these bonus checks be delivered at the Christmas dinner hosted by Celebrate and Miner's Exchange Bank.

- G. Engineering Services – Town Manager reported the two year general engineering services contract is up. At the end of this period, it goes out for procurement of other engineering firms. Mr. Mullins advised the Town does have two applicants.

**Old Business:**

- A. Police Car – Town Manager reported after discussing with Chief Brooks, Captain Williams and Lt. Duval he feels that the 2017 AWD Explorer and 2017 AWD Dodge Charger are the two best options to be considered. The 2017 Explorer list price is \$28,005.72 and the 2017 Dodge Charger is \$25,495.00. Chief Brooks recommends to purchase two new police vehicles and trade in the 2103 white Taurus. He explained the white Taurus has almost 90,000 miles, is already having problems, replacing the transmission will be costly and feels it will cost us more in the long run and will also put the Police Department down another vehicle when being repaired. Town Manager stated that without taking into consideration the white Taurus trade in value, the Town would be looking at \$11,246.25 for two vehicles which is currently budgeted at \$15,200 now. He further advised that he has spoken to USDA and the amount for a Grant would be a \$25,000 cap. Grant funding is backed up and no funding would be received until September 2017. Chief Brooks stated if they do not have enough vehicles, it makes it hard to do their job efficiently and be available for the public. He further explained that if an officer had to take their personal vehicle to answer a call, it is breaking policy and a liability in the event of an accident. Mayor Kiser stated it was very difficult to do a vote on a vehicle without all the details. Council has requested a firm trade in price on the white Taurus by the next Regular Meeting to make an informed decision on January 9, 2017. Mayor Kiser advised that he would like to see the Town get to the schedule of replacing two vehicles every two years.

Jeff Kiser made a motion to enter into closed session in accordance with Virginia Code §2.2-3711(A.1) to discuss performance of Town of Coeburn personnel and also in accordance with Virginia Code §2.2-3711(A.7) for consultation of legal council regarding specific legal matters. Deventae Mooney seconded the motion, which resulted in all Ayes.

**Closed Session:**

Immediately following closed session, Misty Yates, Clerk/Treasurer, read the “Certification of Closed Meeting,” which is attached to these minutes and made a part hereof. A roll call vote certifying that that only business matters that were identified in the motion convening were discussed or considered. The roll call vote resulted in all Ayes.

**Council Comments and Concerns:**

Mayor Kiser made a motion to dispense the Workshop Meeting scheduled for December 26, 2016 and the next meeting will be the Regular Meeting on January 9, 2017. Sharon Still seconded the motion, which resulted in all Ayes.

Mike Holbrook thanked all employees and all those involved in Decorating the Town this year for Christmas. He wished fellow Council Members a Merry Christmas and Happy New Year and to all employees, have a blessed time and enjoy this time with their families.

Deventae Mooney congratulated Eastside's One Act Team and thanked all those who played a part in welcoming them back into Town. Mr. Mooney hopes to see all Fire Department, Police Department, Town Employees along with Council Members at our celebratory dinner at Celebrate.

Sharon Still also congratulated Eastside's One Act Team and thanked all those who came out and lined the streets to support them as well as the Police Department and Fire Departments for their escort. The play will be performed one more time for the Public. She added parade was awesome and the Town looks great. She wished everyone a Merry Christmas and Happy New Year and looks forward to seeing everyone Monday night.

Mike Wright stated that he was thankful for the season and added that the Town is beautifully decorated and wished everyone a blessed holiday.

Jeff Kiser reiterated congratulations to Eastside One Act and their major accomplishment three years in a row as well as five Championships for the County in three years. Mr. Kiser is already looking forward to seeing what they do next year. Mayor Kiser again thanked Front Street Cruise-In for their donation of \$5,145.75 for the Special Needs Park and looks forward to hopefully seeing some action on that next year. Merry Christmas to everyone in Coeburn as well as everyone on Council.

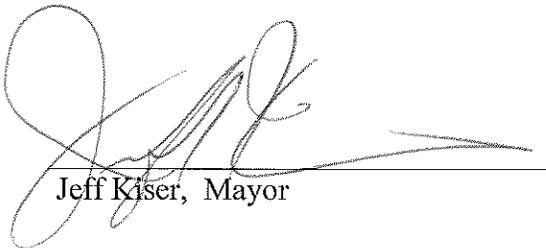
**Adjournment:**

Jeff Kiser recessed this meeting. It will reconvene here at the Depot on Thursday night, December 15, 2016 at 5 p.m.

Respectfully Submitted,

*Misty Yates*

Attest: Misty Yates, Clerk

  
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Jeff Kiser, Mayor

**Council Minutes**  
**Recessed Meeting**  
**December 15, 2016 – 5:00 p.m. – 502 Front Street E, Coeburn, VA**

**Attendees:**

Upon silent roll call, the following members of Council were present. Mike Holbrook, Jeff Kiser, Deventae Mooney and Sharon Still. Misty Yates, Clerk/Treasurer and Russell A. Mullins – Town Manager were also present. Mike Wright was absent.

**Call to Order:**

Mayor Kiser called the meeting back to order.

Sharon Still asked Mr. Chris Mullins, with The Lane Group if the offline generators that are currently sitting at the Treatment Plant will be hooked up as part of this water package. Mr. Mullins explained they are included in the water package.

Mr. Mullins recapped that the alternative package for the Water Project would fully fund this project in the amount of \$4,030,000.00, \$8,162 monthly payback with a 13.34% utility rate increase or an approximate 4.44% increase over a three year period of time.

Mayor Kiser asked The Lane Group what was included in the Treatment Plant. Stephen McElroy advised a new, larger roll increased in length to increase contact time. Town Manager stated there was a decrease in plant capacity due to the water line leaving the plant to town. Mr. McElroy explained the line would be increased from a 10" line to a 12" line to restore capacity in the plant upon completion of this project.

Mr. Mullins advised that with the water increase, with or without this project, the Town will be facing an increase either way. He recommends the Town to increase this rate every year. He stated that citizens need to expect an increase every year adding that it costs the Town something extra every year to produce. Mayor Kiser referenced the information provided by Art Mead provided a couple weeks ago. With the exception, St. Paul and the City of Norton, Town of Coeburn is at bottom with their rate. Town Manager advised that St. Paul is going through a three year rate increase presently. Stephen McElroy advised most do a 2% or 3% increase typically.

Mayor Kiser asked if pressure would increase when the line coming from the Plant to Town was increased from 10" line to a 12" line. Mr. McElroy advised it would be more efficient and capable of delivering more water to Town and additional fire protection. Mayor Kiser asked if this would create problems with the old lines. Mr. Mullins advised that it could possibly create problems with the old lines noting this would only directly affect the lines along the way. Town Manager asked The Lane Group representatives what percentage of lines have been replaced. Mr. Mullins estimated 30% to 40% of the old lines have been replaced including Banner. Mr. McElroy added

the initial increase in pressure will be seen primarily in the area near the plant. He also explained that there will be a new master meter at the Plant and the control valve will be replaced. Mr. Mullins advised that the Plant will then be able to control the value with the flip of a button. He further explained that at this point, you will know what you are sending to Town and billing to customers will equal what is being lost. There will also be a master meter near Banner which will help with leak detection in the future. Mr. McElroy advised other plant work will include, building repairs, heating, line ventilation, replacing a butterfly control valve that regulates water coming into the Plant, windows and a flocculator replacement. Mr. Mullins advised Council that the Plant had not seen any improvements since 1982 and was long overdue for improvements. Mike Holbrook asked if there would be anything lacking after this project was completed that would be of concern. The Lane Group Representatives advised they felt like everything would be completed and hopefully some funds left over.

Mayor Kiser asked if Council voted in January to move forward with this project, what is the time frame for starting to work on the engineering portion, bringing contractors on board as well as starting and the completion of the project. Mr. Mullins advised the first thing would be meeting the letter of conditions with VDH Rural Development within a ten to twelve month time period. Bidding the project in the Spring of 2018 at the latest. Engineering would schedule the flight as soon as the engineering contract is signed and would need to be done this winter and get the plans to the Town to review. Mr. Mullins explained that if Council was voting to accept the funding package, before meeting the letter of conditions, Council would also need to vote on meeting the rate increase requirements during the three year time period. Mr. Mullins stated he would not recommend Council to decrease any sewer rates. Mike Holbrook asked about what starts the three year time period. Mr. McElroy stated it needs to start this upcoming fiscal year, no later than June or July. He stated the loan payment starts six months after construction completion.

Mayor Kiser asked if The Lane Group fees is based on percentage of the complete package. Mr. Mullins advised that was correct and their fee is set by Rural Development.

Mayor Kiser inquired about the mapping system showing water and sewer lines. Mr. Mullins advised that The Lane Group keeps the mapping system updated at their office in Big Stone Gap and it is no longer housed at the Town Offices.

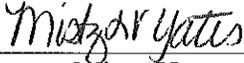
Mayor Kiser also asked where this line will run. The Lane Group Representatives advised it will be three feet under the earth, where elevation allows and where it can be maintained by workers. Mr. Mullins also explained this line will have valves along the way. If there is a leak, you will be able to turn valves to isolate the problem.

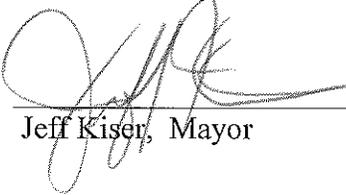
Mr. Chris Mullins advised this was a great project for the Town of Coeburn, an excellent package and great timing.

**Adjournment:**

Jeff Kiser made a motion to adjourn this meeting. Sharon Still seconded the motion, which resulted in all Ayes.

Respectfully Submitted,

  
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Attest: Misty Yates, Clerk

  
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Jeff Kiser, Mayor