TOWN OF COEBURN

Council Minutes –Special Called Meeting
February 4, 2014 – 7:00 p.m. – 502 Front Street E, Coeburn, VA

Special Called Meeting

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, and Russell A. Mullins – Town Manager.

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

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

Old Business

a. Investment of public properties for financial consideration: Without delay, Mr. Powers stated that he didn't want Council to be put in a position where the town would jeopardize losing the DEQ Grant of $500,000 and the VRA loan of $500,000 with 0% interest for 20 years for the Sheffield Wastewater Interceptor Project. Mr. Powers stated that if the grant/loan was not received the town could be fined over $500,000 for noncompliance of a DEQ Consent Order.
Jess Powers made a motion requesting Council to consider allowing the town manager to seek a line of credit using Machine Creek, and Complexes A and B as collateral for the line of credit. This would possibly avoid any non-payments, late fees, and litigation threats. This is to allow council the opportunity to make informed decisions on rebuilding the Town's Public Works Department.

   Carles Collins seconded the motion, adding the exclusive right to timber Machine Creek if needed. The timber proceeds would be used to pay on the principal portion of the line of credit.

   Mr. Powers amended his motion reiterating Mr. Collins's exception. Mayor Powers asked all Council members if there were any comments or concerns regarding the motion. Ms. V. Buchanan inquired about Complex A and Complex B. Mr. C. Kiser reaffirmed that the motion was only authorizing the inquiry of information and to then present the information to the Council. J. Kiser commented that he found it interesting that the format of discussion changed for this incident.

   There being no further comments or concerns a roll call vote was taken. The roll call vote resulted as follows: V. Buchanan – Aye, C. Collins – Aye, C. Kiser – Aye, J. Kiser - Nay, Jess Powers – Aye.

b. Public Hearing date for the investment of public property for financial consideration – Mayor Powers made a motion to set a special called meeting for a public hearing for the

investment of public property for financial consideration Tuesday, February 11, 2013 at 6:00 p.m. Charles Kiser seconded the motion. A roll call vote resulted in all Ayes.

Council Comments and Concerns

Veronica Buchanan made the comment that she was concerned that the town is in such financial distress that a line of credit had to be considered. She commented that she wished there was another option. Ms. Buchanan does not want to raise tax rates.

Jeff Kiser stated that the town was aware 15 months ago that it would be facing financial distress. He reiterated that at the December 15, 2013 meeting Council agreed to hold a budget meeting with all Council members attending. He was concerned that this meeting was not held. He also reminded Council that CIA will be holding a dinner at the Cultural Arts building February 8, 2014 at 7:00 p.m. The tickets are $15.00 per person or $30.00 per couple.

Jess Powers reminded Mr. J. Kiser that Council is the budget committee. Mr. Powers recommended that J. Kiser write a budget with his proposed budget cuts and present it to Council for review. J. Kiser called 'point of order' and stated that revising the actual budget was Council's responsibility as a whole. Mr. Powers in turn called 'point of order' because he had the floor and was interrupted by J. Kiser. Mr. J. Kiser reserved the right to respond. Mr. Powers continued stating that anyone voting no without proposing budget cuts would be jeopardizing the $500,000 grant/loan. Mr. Powers also stated that voting no jeopardized the consent order in which, the town would be heavily fined. Mr. J. Kiser stated that it was not his job as a Council member to revise the budget. He reminded Council that he proposed that the original budget committee reconvene in order to revise the budget. He stated that for him to write the budget would go against his original motion which, was to reconvene the original committee. Mr. Kiser declined the offer to revise the budget.

Mr. Powers clarified that Council did agree to hold a budget meeting. All members were suppose to provide the town manager with availability dates. Mr. J. Kiser did not respond with a date. Mr. J. Kiser asked why Council could not meet with four members of Council being present.

Mayor Powers entertained a motion to adjourn.

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*