

**Council Minutes
Regular Meeting
June 8, 2015 – 6:30 p.m. – 502 Front Street E, Coeburn, VA**

Attendees: Upon a roll call vote all Council members were present. Scott Brooks – Chief of Police, Christy McCoy – Clerk/Treasurer, and William Sturgill – Town Attorney were also present.

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

Councilman Deventae Mooney gave the invocation. The group remained standing for the Pledge of Allegiance.

Public Expression:

James Bullion, 305 North Street addressed Mayor Kiser's law suit against the town. He asked Mr. Kiser to drop the law suit due to a conflict of interest. Mayor Kiser stated that the town was involved because it was the only way to file a claim with the town's insurance company. He informed citizens that the law suit against the town was frozen so long as he served as Mayor. Mr. Kiser assured the citizens that the law suit had no bearing on his budgetary decisions. No action could be taken and no settlements could be made during his term.

Roger Sartin, 622 Meadow St. asked Council to take into consideration the citizens that are on a fixed income. He stated that it would hurt the meals tax that the town receives because citizens would not be able to go out to eat at local restaurants. He asked Council where the savings from ending the Veolia contract was.

Lela McCracken, Meadow St. asked Council to consider the elderly citizens with medicines to buy. She stated that citizens in the Town of Coeburn had a hard time paying bills. She asked Council to consider how they would pay the bills with the high increases.

Melissa Cooper, 637 Meadow St. spoke in opposition of tax and water increases. She asked Council to reconsider the proposed tax and water rate increases.

Joyce Barr, 620 Meadow Street spoke in opposition of tax and water increases. She stated that she and many others could not afford the increase.

Mike Strong, 606 Kiser Avenue was present to ask Council to approach the property owner adjacent to his property over maintenance issues. Mr. Strong stated that the grass was over 6' tall and that it was attracting snakes and rodents. In the past the town cut the grass and sent the property owner a bill. He asked if the town manager could take care of the issue. Mr. Mullins stated that he would look into the situation.

Debbie Shelton, 626 Henderson St. asked Council to consider the elderly and disabled when voting for the rate increases. She spoke in opposition of the increases. She asked Council about the status of the Loretta Mays embezzlement case.

Gary Taylor, 137 Central Street asked Council to consider families with children when voting for the rate increases. He spoke in opposition of the increases.

Doug Neal, 719 Second St. spoke in opposition of all rate increases. He asked Council to explore other avenues to produce additional revenues without raising taxes and utilities.

Charles Kiser, 501 King Ave wanted to point out that the Coalfield misreported the utility increase. They reported a 15% rate increase when there is actually a 20% increase. He opposed the increase and stated that it was too much to ask of the citizens of Coeburn have to pay. He asked Council to consider the burden that the citizens would have if the prices are increased.

Phillip Lane, 618 Meadow St. opposed the rate increases and asked that the town increase collection efforts.

Jess Powers, 289 Martin Avenue addressed Council and citizens regarding the rate increases. Mr. Powers stated that increasing the property tax to .22/100 would be approximately a 46% rate increase. He reviewed the budget that was on the agenda for a vote. He stated that he opposed such a high increase when the total overall deficit would be approximately \$26,000 (according to a copy of the preliminary budgets that were reviewed).

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

Approval of Agenda:

Mayor Kiser asked to add discussions concerning the ongoing forensic audit that was being conducted by Mr. Larry Sturgill. He motioned for the item be added under Old Business item 1 (a). Sharon Still seconded the motion. Jess Powers stated that he would like for the auditor to present during the discussions because it was a pending investigation. Mayor Kiser informed Mr. Powers that he only wanted to see if there were any results or updates that could be shared with Council. The mayor stated that the town paid a large sum of money for the audit and has not seen the first piece of paper. He would like for the town manager to ask Mr. Sturgill to appear before Council and give an update of the work that has been done and would be done in the future. Mayor Kiser called for a roll call vote which resulted as follows: V. Buchanan – Aye, D. Mooney – Aye, J. Kiser – Aye, S. Still – Aye, J. Powers – Nay.

Jeff Kiser made a motion to accept the agenda as amended. Sharon Still seconded the motion. A roll call vote resulted as follows: V. Buchanan – Aye, D. Mooney – Aye, J. Kiser – Aye, S. Still – Aye, J. Powers – Nay.

Reports:

Town Manager

Town Manager Mullins reported that he spent the majority of his time working on the budget. He advised Council that he was still working with Wise County to get answers on the Line of Duty Act insurance premium reimbursement. Mayor Kiser asked the town manager to look at Mr. Strong's property. The mayor drove by the property and agreed that the area was definitely a problem. He stated that there were several other properties within town limits that needed to be addressed. Mr. Mullins was looking at the ordinance pertaining to property maintenance. The town manager informed Council that the pool would be opening the following day. He informed Council that all updates were done to the website. He reviewed the 4th of July activities that were scheduled.

Public Works

Danny Jordan, Public Works Director, reported that his department processed 237 work orders during the month. There were 9 water leaks repaired throughout the month. He reported that the Litchfield waterline project was complete. Public works was also working on the municipal pool to prepare for the opening. There have been some complaints about dirty water. The town will begin flushing the lines in an effort to correct the problem. Mr. Jordan stated that the problem could be due to the amount of rain that the area has recently received.

Ms. Still asked Mr. Jordan about the mowing schedule. She stated that she had complaints that one end of town was being mowed and the other end was being neglected. Mr. Jordan assured her that neither end of town was being neglected. Street maintenance is performed on an "as needed" basis on both ends of town.

Ms. Still asked Mr. Jordan to remind everyone that the detour signs used during the Cruise In needed to be turned around so that there is no traffic confusion. Mr. Jordan will make sure that the signs are taken care of after each cruise in.

The Lane Group

Chris Mullins, The Lane Group, gave Council an update on the Sheffield Acres Sewer Project. He informed Council that there wasn't much work being done on the project at the time. However, he stated that within the next few weeks work should begin. Mr. C. Mullins asked for Council to approve a change order in the amount of \$20,788.02 for additional line work. Sharon Still made a motion to approve the change order in the

amount of \$20,788.02. Veronica Buchanan seconded the motion which resulted in all Ayes.

He reported that the Ringley Park Extension efforts were still underway. The Cruise In would be hosting a beauty pageant in which the proceeds would go to the project. He still had not received any additional information from the Stanley Tool contest. He stated that he knew that the town was in the top 2 finalist. The Lane Group would continue to solicit donations for the project. Ms. Buchanan advised that there would be a silent auction held on the 4th of July in which all proceeds would go toward the project.

Mayor Kiser asked about the additional water lines that were included in the Downtown Water Project. Mr. C. Mullins informed him that there was approximately a two week timeline. He advised Council that paving would begin after the project is complete.

Treasurer

Clerk/Treasurer, Christy McCoy presented Council with minutes from May 11, 2015, May 18, 2015, May 20, 2015 and both meetings held June 1, 2015. She presented the accounts payable due in the amount of \$48,464.72. She also presented the interim accounts payable report in the amount of \$82,694.22. Ms. McCoy reported the reconciled cash balance as of June 5, 2015. The reconciled cash balance was (-) (\$11,040.91).

May 11, 2015 – Regular Meeting – Deventae Mooney asked Ms. McCoy to make a correction to public expression. The minutes stated that Lewis Meade, 14008 Banner Mtn Rd. spoke. The correct name of the citizen was Willie Meade. Ms. McCoy will make the correction. Jess Powers stated that he was present at the meeting. Jeff Kiser made a motion to approve the minutes as corrected. Deventae Mooney stated that he remembered Mr. Powers being absent. Council agreed to hold off on May 11 approval until Mr. Powers attendance was determined by listening to the audio. Jeff Kiser withdrew his motion.

May 18, 2015 – Recessed Meeting – Jeff Kiser made a motion to approve the minutes as presented. Veronica Buchanan seconded the motion which resulted as follows: V. Buchanan – Aye, D. Mooney – Abstained, J. Kiser – Aye, J. Powers – Aye, S. Still – Aye.

May 20, 2015 – Recessed Meeting – Jeff Kiser made a motion to accept the minutes as presented. Deventae Mooney seconded the motion which resulted in all Ayes.

June 1, 2015 – Public Hearing Tax Increase – Jeff Kiser made a motion to accept the minutes as presented. Deventae Mooney seconded the motion which resulted in all Ayes.

June 1, 2015 – Public Hearing Budget – Jeff Kiser made a motion to approve the minutes as presented. Deventae Mooney seconded the motion which resulted in all Ayes.

Accounts Payable - \$48,464.72 – Jeff Kiser made a motion to pay the accounts payable as soon as funds were available. Sharon Still seconded the motion. A roll call vote resulted as follows: V. Buchanan – Aye, J. Kiser- Aye, D. Mooney – Aye, J. Powers – Nay, S. Still – Aye.

Mayor Kiser asked that all mileage reimbursement requests document the purpose for the mileage. Mr. Mullins said he spoke with Mr. Jordan about mileage documentation and in the future all mileage requests will state a purpose.

Interim Accounts Payable - \$82,694.22 – Jeff Kiser made a motion to accept the interim accounts payable as presented. Sharon Still seconded the motion which resulted as follows: V. Buchanan – Aye, J. Kiser – Aye, D. Mooney – Aye, J. Powers – Nay, S. Still – Aye.

Jess Powers commented that he was absent during the May 11, 2015 regular meeting. He came to the meeting and was called out on a fire call prior to roll call at the beginning of the meeting.

May 11, 2015 – Regular Meeting – Jeff Kiser made a motion to accept the minutes with the revision to public expression. Sharon Still seconded the motion which resulted in all Ayes.

Police Report

Police Chief, Scott Brooks reviewed the activity report. He reported 765 total events, throughout the month. Chief Brooks informed Council that the department was using the Attorney General's seizure money to purchase additional equipment. He reported that the police department assisted the Drug Task Force with a seizure. Mayor Kiser asked about the military surplus cutbacks to the police department. Chief Brooks informed Council that the ban was geared more toward heavy artillery equipment.

Ms. Veronica Buchanan thanked the police department for the retirement presentation for Faye Buchanan. F. Buchanan was a long time employee of the Coeburn Police Department.

Volunteer Fire Department

Fire Chief, Cliff Hawkins was absent and no report was given. Deventae Mooney asked the town manager to advise the fire department that a representative from the department should attend the Council meetings. Mr. Mullins would ask Chief Hawkins if he has an officer that could attend in his absence.

Attorney Report

The attorney reviewed the voting procedure for the proposed budget increases. He informed Council that in order to increase the real estate tax, a 2/3 vote is required. That would mean that 4 out of 5 members would need to vote in favor of the increase in order for the rate increase to pass. He informed Council that the budget required 3 out of 5 votes to pass.

New Business

- a. Department of Health Office of Drinking Water Engineer's completion statement – The letter was an approval stating that the Office of Drinking Water concurred with the engineer's completion statement and that the town may put the project into service.
- b. Department of Health Office of Drinking Water Crab Orchard and Beech Avenue Waterline Replacement grant – The Department of Health notified that they authorized up to \$100,000 in financial assistance, as a principal forgiveness to the town of Coeburn. The money would fund the replacement of approximately 2,000 linear feet of waterline, the reconnection of service meters, the installation of gate valves and associated appurtenances.
- c. Department of Environmental Quality Project #C-51495-02 Disbursement #3 – Request for disbursement #3 was submitted and approved. The disbursement was reduced from the amount requested. There was a reduction of \$11,400.00 due to time delay's for mobilization.

Old Business

- a.
 1. Larry Sturgill Forensic Audit – Mayor Kiser asked for Councils consent to ask Mr. Sturgill to attend the next scheduled meeting to give an update of any progress made on the audit. He stated that the town has paid a large sum of money for the audit and he would like to have a progress report. Deventae Mooney and Sharon Still both agreed that they would like an update on the audit. Council agreed to ask Mr. Sturgill to attend the next meeting for an update.

Mayor Kiser called for a 10 minute recess. Council reconvened and proceeded with the next business item.

2. Real Estate tax increase proposal beginning July 1, 2015 - The town manager read the proposed ordinance, Ordinance No. 15-006 which stated that the real estate tax rate levy for the Town of Coeburn is hereby fixed at _____ cents per \$100 of assessed value for the 2015-2016 fiscal year, beginning July 1, 2015. Mayor Kiser spoke about the deficit that the town would be

1. Water Rate Increase – Town Manager Mullins read proposed Ordinance number 15-007 which proposed a 20% rate increase from the previously imposed rates. Mayor Kiser asked if the ordinance was consistent with the proposed budget. Mayor Kiser asked the public works director about the supplies that were being used throughout the year. He asked if public works was able to replenish inventory as it is being used. Public Works Director, Danny Jordan stated that all supplies were being purchased on as needed basis due to the financial situation. Jeff Kiser made a motion to increase the water rates by 20% from the previously imposed rates in accordance with Ordinance no 15-007. Deventae Mooney seconded the motion. A roll call vote resulted as follows: V. Buchanan – Nay, J. Kiser – Aye, D. Mooney – Aye, S. Still – Aye, and J. Powers – Nay.
2. Sanitation fee increase – The town manager read proposed Ordinance number 15-008 which stated that sanitation fees would increase by \$1.00 from the previously imposed rates beginning July 1, 2015. Mayor Kiser asked if the rate was reflected in the proposed budget. Mr. Mullins stated that it was included. Jeff Kiser made a motion to increase the sanitation rate \$1.00 in accordance with proposed Ordinance number 15-008. Sharon Still seconded the motion. A roll call vote resulted as follows: V. Buchanan – Aye, J. Kiser – Aye, D. Mooney – Aye, S. Still – Aye, and J. Powers – Nay.
3. Overall Budget – The town manager read proposed Ordinance number 15-009 which would adopt the proposed revenues and expenditures for the fiscal year 2015-2016. The budget adoption would begin July 1, 2015 and end June 30, 2016. Sharon Still made a motion to adopt the budget as discussed and presented. Jeff Kiser seconded. A roll call vote resulted as follows: V. Buchanan – Aye, J. Kiser – Aye, D. Mooney – Aye, S. Still – Aye, and J. Powers – Nay.

Council Comments and Concerns:

Veronica Buchanan reminded everyone that an auction will be held July 4th, 2015 in the Depot and all proceed would go to the Ringley Park Extension. Ms. Buchanan reiterated that she thought some of the increases were too high and too much to hit the citizens with at once.

Deventae Mooney stated that he voted for the increases because he felt like it was in the best interest of the town.

Jess Powers stated that an estimated deficit of \$26,749 was not large enough to call for the increases that are being imposed upon the citizens. He didn't agree with the increases. He stated that they are too high for the citizens in the Town of Coeburn. He

facing immediately going into the new fiscal year. He reminded citizens that there are reduction programs offered through Wise County that allows seniors and veterans to claim a deduction on the real estate tax levied. Mayor Kiser is concerned that if the town doesn't do something to increase revenue that the state will mandate increases and that they will be much higher. He revisited the past when Council reduced the tax rate upon a reassessment. Jeff Kiser made a substitute motion to change the real estate tax rate to .20 (twenty cents) per \$100 of assessed value. Sharon Still seconded the motion. Jess Powers asked why that prior to the meeting he was given a spread sheet with the budgeted tax assessment proposed at .20 per \$100. He stated that he was not included in the meeting that was held revising the rate. The advertised proposed budget was .22/100. He stated that Council voted to proceed with the budget with a tax rate of .22/100. He wanted to know when the vote to proceed with .20/100 took place. Council members explained that this was the first time the discussion took place. The town manager presented 4 budgets during a May meeting, one of which showed the .20/100. Mayor Kiser clarified that as the year moves forward the option to reduce the tax rate is still available. If the tax rate is lowered a public hearing is not required. The town manager explained that he has decreased the expenses in the general fund as low as they could possibly go. The only other option to balance the general fund was to raise the tax rates. Mr. Mullins explained that many revenues that have declined are fixed rates set by the state. The town would have no control over rates or collection of the fees. Mayor Kiser called for the vote. Veronica Buchanan reiterated that she is concerned with hitting people all at once with increases. She did not like the idea that all of the increases were taking place at one time. She stated that it was too much for the citizens. Ms. Buchanan suggested lowering the tax rate to .17 or .18/\$100 and to take some of the employees from full time to part time. Sharon Still stated that she feared losing employees. The town manager feared that services provided to citizens would suffer. To make up the tax difference the town manager stated that one person from each department in the general fund would have to be taken to part time. Ms. Buchanan asked if Camp 18 prison or Flatwoods Job Corp could help with some of the services. Ms. Still stated that it may be too late in the season to get on the schedule for assistance. Ms. Buchanan asked that Council revisit the elderly and disabled ordinance. She would like to take it from 50% with a maximum of \$50.00 to a maximum of \$100.00. She would like to see disability and retired military added to the exemption list. Ms. McCoy explained that the County makes the determination for eligibility. Ms. Still asked that we look at the ordinance by September 1. Mayor Kiser called for a roll call vote: V. Buchanan – Aye, J. Kiser –Aye, D. Mooney – Aye, S. Still – Aye, and J. Powers – Nay.

B. Budget and increase proposal for 2015-2016 fiscal year

stated that the increases only put a burden on the citizens and he advised citizens to start saving now for taxes that will be due in December.

Sharon Still informed citizens that the budget is available at town hall. She went through the budget line by line and didn't see anything that could be cut. She stated that once the town is able to pay the bills and put some money back she would be the first to suggest decreases. However, at this point the town can't even pay the bills from month to month. She stated that increases should have been done slowly in the past to avoid this drastic increase but it wasn't. Ms. Still also wanted to thank Red Oak Trading for donating the flag on Flag Hill.

Mayor Kiser recognized Ms. Whitney Day because she has taken it upon herself to clean up the cemetery on School House Hill. She is asking for donations and also donations of time to help with the project. He reiterated that the July 4th celebration would begin at 2 p.m. on July 4th. In regards to the rate increases, Mayor Kiser stated that Council was in a position that they were left with no alternatives other than raising rates. He stated that rates should have been increased slowly over the years but they weren't and therefore there was no choice. He encouraged citizens to apply for the tax breaks that are offered through the county. He stated that the town has been operating in the red for many, many months. He thought that the budget process followed this year was a good process and he would like to see the process continue in the future.

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