

Minutes of a Continued Meeting of the Council of the Town of Blackstone, Virginia, held in the Council Chambers located at 100 W. Elm Street, Blackstone, Virginia, on Wednesday, August 13, 2008, at 5:00 p.m.

There Were Present:

Mayor: William D. Coleburn

Council Members: L. Benjamin Green, John W. Hill, Jr., C. Duncan Quicke, J. A. Wilson, Jr., Constance T. Wynn

Town Attorney: Kennon C. Walden, Jr.

Town Staff: Jennifer H. Beck, Administrative Assistant; David Dunn, Assistant Town Manager; Nicholas C. Kuzmiak, Police Chief; J. Larry Palmore, Town Manager; Joan R. Palmore, Town Clerk; Charles C. Wells, Finance Director

Those Absent: Councilwoman Thompson, Councilman Tucker

Mayor Coleburn called the Continued Meeting to order.

Manager Palmore addressed Council and stated that we are going to have to borrow some money in order to pay bills and meet our obligations. A big part of our problem is the different projects that we have going on right now that we have not yet received reimbursement for. He listed some of the projects such as the Main Street Project, Castles Trailer Park, and the Bus Shop. He stated that we have asked the Finance Committee to look at a six month, \$600,000 line of credit. At this time he has only had two local banks to respond back and the lowest interest rate is with Citizens Bank at 3.35% which is a great rate. He knows the next question is how are we going to pay it back. He anticipates paying it back with the reimbursement funds we received from the different projects. He stated that we have not sold the electricity this year that we sold the same time last year. He added that he has asked the Town employees to voluntarily give up their over-time and take it as comp-time. He explained that there are times that overtime cannot be helped like for instance, this past weekend we had a broken water line and our men worked many hours getting that fixed. Manager Palmore added that if the economy doesn't pickup soon, we will have to lay off some workers.

Mayor Coleburn asked the Town Manager to clarify whether or not the Town employees will get paid over-time this fiscal year.

Manager Palmore stated that this is voluntary. He explained that if an employee works on Sunday than they would not come to work on Monday in order to keep their time at 40 hours.

Council discussed the police department and how will we handle their overtime.

Manager Palmore stated that if necessary, we might swap employees between us and the police department as far as answering the phones. He also suggested unscrewing every other light bulb on Main Street at night. He stated this last month we took one of our ballpark lights and hooked it up and it cost us over \$50.00 a month just to run this one light. He added that the fee we charge our customers for the area lights may need to go up because right now we are charging \$27.50 a month to the customer but it is costing the Town more than that to run these lights. He also stated that if you look at our overall janitorial services, the cost is going up to over \$64,000 a year. Manager Palmore suggested that either we hire someone to come in as a Town employee at around \$25,000 a year or we could ask each department to take care of their own buildings.

Councilman Green stated that he has a problem with the Town Manager taking out his own garbage. He feels the idea of hiring a custodian is a wonderful idea. He is sure we can get someone for much less than \$64,000 a year.

Manager Palmore would like to try and have each department take care of their own buildings for the next six months.

Councilman Hill stated the janitor's bill has doubled.

Mayor Coleburn suggested putting this out to bid.

Manager Palmore added that we are cutting back on trucks, gas usage, etc., but we haven't cut back enough. We weren't able to project what our electricity sales were going to be. He compared how much we have sold this year compared with last year. He stated that to make matters worse electricity has cost us more this year than ever before.

Council agreed by common consent to have each individual department keep their buildings clean for the next six months.

Manager Palmore asked for Council to approve a \$600,000 line of credit at Citizens Bank at a 3.35% interest rate.

Councilman Wilson made a motion to approve a line of credit with Citizens Bank & Trust Company at \$600,000 for six months. The motion was seconded by Councilman Quicke.

Discussion:

Mayor Coleburn asked did we overspend the budget.

Manager Palmore answered no we are still within the budget figures. The problem we are having is we have to pay money out before we get it back on the grants. That is the way the grants work. We have to put the money up front. The many different projects and the slowing of the economy has also contributed to this.

Councilman Green asked the Town Manager how much are we in arrears.

Manager Palmore answered we are in arrears about \$125,000.

Councilman Green asked do we need to look at raising the rates again.

Manager Palmore answered no sir. We anticipate that the money from the rate and fee increases we just instituted, is going to start coming in soon and that will also help.

Councilman Green stated that he applauds the Town Manager for trying to cut expenses. The second thing is he wants to make it abundantly clear that he is not questioning the Finance Committee and thirdly he really appreciates the Town Manager walking him through this process.

Councilwoman Wynn asked that we include a summary on the monthly finance report of where we are with the line of credit.

Councilman Quicke feels we need to continue to scratch and look at these expenses. We need to look at our telephone charges and cut anywhere we can.

Councilman Hill feels there are some additional areas that we can cut.

Manager Palmore added that he is continuing to look at cutting different departments.

The motion being made and seconded was approved as follows. Vote:

Councilman Quicke	-	Aye
Councilwoman Wynn	-	Aye
Councilman Green	-	Aye
Councilman Wilson	-	Aye
Councilman Hill	-	Aye

Council discussed the Meals Tax and the Cigarette Tax.

Councilman Wilson made a motion to approve the parade permit for the tractor show during the Annual Arts and Crafts Festival. The motion was seconded by Councilwoman Wynn and approved unanimously. Vote:

Councilman Quicke	-	Aye
Councilwoman Wynn	-	Aye
Councilman Green	-	Aye
Councilman Wilson	-	Aye
Councilman Hill	-	Aye

Manager Palmore informed Council that we will be sending out a public notice to all Town residents on our water quality. We are having problems meeting the Health Department regulations. He stated that the dry weather is partly to blame. He added that there are several other localities in our area that are having the same problem. He stated that the Health Department is always monitoring our water quality and this is the first time in 18 years that we have ever had to do this. We may have to look at putting some type of bubble system in the water tanks to make the water turn over quicker. He stated that we need to get to the bottom of this and figure out the best action to take. Manager Palmore wants this taken care of before January. He stated that Ron Silverman, Supervisor of the Water and Wastewater Treatment Plants, is on top of this issue and we will figure out the best action to take.

Mr. Sam Moncure, S. Main Street stated that he recognizes how hard the Town Manager and everyone else is working and he added that we are going to have to cut back on spending. He mentioned the two people we have watering flowers on the street. He mentioned the custodian and the price of \$64,000 a year which he agreed is high. He added that we had talked about once a week trash pickup and the savings that would make. He feels this should be the beginning of where we come to our senses. He feels we may need to make a 10% cut across the board.

Councilman Green stated that he is encouraged by what he has heard this afternoon.

Mr. Moncure stated that the way he sees it, labor, gas, and insurance is where the money is being spent.

Tom Daniel, Brunswick Avenue, stated that his company took a voluntarily decrease in salaries. He publically expressed his appreciation to the Town Manager and the Town Clerk for the notification for the meetings.

Councilman Hill made a motion to go into Closed Session according to the following:

Virginia Code Section 2.2-3711
 Sub Section A.
 - Personnel

The motion was seconded by Councilman Green and approved unanimously. Vote:

Councilman Quicke	-	Aye
Councilwoman Wynn	-	Aye

Councilman Green - Aye
Councilman Wilson - Aye
Councilman Hill - Aye

Mayor Coleburn declared the meeting back in Open Session.

Councilman Hill made a motion to certify that to the best of each member's knowledge only public business matters lawfully exempted from open meeting requirements and only such public business matters as were identified in the motion by with the Closed Meeting was convened, were heard, discussed or considered in the meeting. The motion was seconded by Councilman Quicke and approved as follows. Vote:

Councilman Quicke - Aye
Councilwoman Wynn - Aye
Councilman Green - Aye
Councilman Wilson - Aye
Councilman Hill - Aye

Mayor Coleburn continued the meeting to Thursday, August 14, 2008, at 2:30 p.m.

MAYOR
OF THE TOWN OF BLACKSTONE, VIRGINIA

APPROVED AND ADOPTED

TOWN CLERK
OF THE TOWN OF BLACKSTONE, VIRGINIA

