

The Richlands Town Council held a "Special Meeting" on April 19th, 2022, in the Richlands Council Chambers at 6:00 pm with the following present:

Mayor: Rod D. Cury

Town Manager: John O'Daniel

Town Clerk: Rebekah Hackworth

Council Members: Jeff Hurst, Doug Ratliff, Darrell Addison, Mike Street

Town Attorney: Bob Altizer

Mayor Cury opened the meeting.

Mayor Cury gave the invocation and led the Pledge of Allegiance.

Mayor Cury- Is there any Additions/Deletions to the Agenda?

John- The following items need to be added to the agenda.

- The Budget Amendment- Section House (Mural Maintenance)
- GDS and BRP- Electric Update (Jacob and Alice Wolfe)
- Appointment of New Town Clerk

Mike- I make a motion to approve the agenda as amended. Jeff seconded the motion.

Mayor Cury- We have a motion and a second. Any further discussion? All those in favor of the motion say yes. All those that oppose say no. Roll Call- Jeff- Yes, Doug- Yes, Darrell- Yes, Mike- Yes. Motion carries -4/0.

Mayor Cury- Look at the Consent Agenda, and I will entertain a motion to approve the Consent Agenda as presented.

Jeff- I make the motion to approve the Consent Agenda as presented. Darrell seconded the motion.

Mayor Cury- We have a motion and a second. Any further discussion? All those in favor of the motion say yes. All those that oppose say no. Roll Call- Jeff- Yes, Doug- Yes, Darrell- Yes, Mike- Yes. Motion carries -4/0.

Mayor Cury- "Unscheduled Public Comments"- Laura Mollo

Laura Mollo- 262 Linwood Drive

"The town has an issue with over complicating things recently. We came early to this meeting, and we had invited guests from the county here, and they would not unlock the doors for us even though they came and let themselves in and kept us outside. That is unnecessary, especially the guests that we have invited. Please, can we have another public hearing. Last week we did not have a quorum, and the people that weren't here needs to be able to hear what the public people have to say. Last year, we saw the highest rate increases in the history of Richlands. We went through a pandemic and are now seeing extremely high rates of inflations. Along with everything else rising, so did our poverty level. In the last year, we saw our poverty level go from 23% to 28% according to the US Census Bureau. I do not believe that this all what is happening to us nationally. This is, in part, due to the burden that the council is continuing to place on the back of the citizens by increasing taxes, fees, and utility rates. The town should be here to make life better for everyone not just a select few. We have seen a success of people in Richlands over the last year, but it's time to expand that circle to every citizen and not just your friends and family. The council shouldn't get to choose who gets to benefit from our tax dollars. That opportunity should be given to every citizen and one way to do that is to stop raising these taxes, fees, and utilities rates until the budget is under control and there is an accountability on what is being spent and where this money is going. You guys are not here to make these decisions for us. You are here to represent us as citizens. As I have said before, in a represented democracy, elected officials are servants of the people not the other way around. Winston Churchill said for a nation to tax itself into prosperity is like a man standing in a bucket trying to lift himself by the handle. And I happen to agree. "

Mayor Cury- "Unscheduled Public Comments"- Chad Estep

Chad Estep- 1201 Cresswood Drive

- My comments are mine, and I am not affiliated with anyone.
- To the gentleman that was not here last week, did you listen to the public comments?
- I represent the majority of people that are here, and we are not happy about how things are being run. We need change. We do not need to tax the people more to fix the budget. You know the money that comes in every year, and you know what we can afford and cannot. We need to focus on needs not wants.
- There are two appointments coming up, and I feel for those people because they are walking into a mess.
- No two people are going to be in agreement on everything, so let's find someone that will ask the hard questions and not be a part of the buddy system. We need someone that is willing to serve, take the criticism, and willing to go to work for this town.
- Again, I want reiterate that we need a forensic audit and go back five years. If the town has nothing to hide, this should be welcomed with open arms.

Mayor Cury- "Unscheduled Public Comments"- Mike Anthony

Mike Anthony – 1151 Orange Street

- I'm not a public speaker, so I am very nervous.
- You all represent all of the citizens of this town.
- All the data, comments, and spreadsheets online lead us to mistrust our representatives in this town.
- The problems in our town have been going on so long that they have become so large we need an outside service to help our council and town manager.
- I see that Davenport is on the agenda. I'm glad council is finally agreeing to a physical audit, where in times past, council voted against this.
- The average income of a Richlands citizen is \$30,000. Most are on fixed incomes.
- All we want is a warm place to live, money to feed our family, and dollars in our pockets. Most of us do not have that now.

Mayor Cury- "Unscheduled Public Comments"- Morgan Earp

Morgan Earp – 1618 6th Street

- My health causes speaking issues, so if my voice cuts out, that is why.
- I have issues with the contract with the salmon farm not paying normal cost and for upkeep and renovation cost. I don't want to pay taxes to keep a business up and running.
- I am in agreement that a forensic auditor should be brought in.
- I am not against the council. I respect each and every one of you. I do get upset with some of your decisions.
- You should never make decisions without input from your constituents. This is how our government functions and things get accomplished.
- Please hear my suggestions and make this town a better place.

Mayor Cury- "Unscheduled Public Comments"- Wanda Lowe

Wanda Lowe – 292 Plantation Drive

- When disaster hits, there are two modes – rescue and recovery.
- What is happening may not be a disaster to most here. However, the electrical issue has become a disaster to our senior citizens and people on a fixed income.
- There have not been any lifeboats thrown to these people that are so desperate for help.

- We need a plan to help people and come up with a payment plan.
- A lady has not had electricity since March 28th and she is disabled.
- People have lost confidence in each of you.
- No confidence causes trouble for both sides, and everyone suffers.
- New members of council do not need to be a part of the buddy system. That is not what democracy is about. Get people from the older generation because they are mature and have a lot of experience. It is important to appoint the right people to help us get out of this mess.
- People need to understand what they are voting for before they vote. Work together to fix the issues so our town will not be shut down.
- Always be sensible and fair, and do things right.

Mayor Cury- "Unscheduled Public Comments"- Barbara Cook

Barbara Cook – 264 Plantation Drive

- Council members should not be on their phones during meetings. They need to be listening and paying attention. It is disrespectful to be on the phone.
- Before you took your position, you knew how business would be held. You need to be present at all the meetings. If you want to be effective, you need to attend all of them.
- If the people who live in the town has to manage a budget, then the town of Richlands needs to learn how to budget and figure out where the money is going.
- Council members need a common vision with its constituents. Inflation and costs are higher, but we have to find a way around it. Make sure you study the budget carefully before you say yes.
- When I moved to Hidden Valley, I was told that they promised us streetlights and sidewalks, and I was just wondering where they are.
- Again, we all need a common vision. We all need to be doing whatever it takes to help Richlands attain a vision and make sure we are being productive towards these goals.

Mayor Cury- "Unscheduled Public Comments"- Ken Smith

Ken Smith - 303 South Center Street

- You took an oath when you took this office to protect and serve the people of Richlands and not bankrupt nor harm the people of the town in anyway.
- When you cut the power off of elderly people of Richlands, you are abusing them. Remember your oath you took, and if you cannot honor that, then walk out the door.

911 Anniversary Presentation with Captain Randy Ann Davis Presenting with Lieutenant Triplet

- This is the 25th anniversary of the Tazewell County 911 system which started on April 27th, 1997.
- They started on Main Street in a building that has been two restaurants since then.
- They had one Z-Tron console.
- They used an intercom for the Sheriff's Office if they had a 911 call and a radio for the town.
- The phone system was not high tech, and it had no caller ID. You had to ask all questions from the caller. Everything had to be handwritten because there were no computers.
- The map system was a real challenge for the dispatchers.
- We finally were able to get three console systems, a better mapping system, and a computer.
- In 2010, they moved into the Tazewell County Sheriff's Office where they are now.
- We have top of the line equipment such as the smart 911 app.

Introduction of a New Director of Human Resources- Kim Fields

- I have been in Human Resources for the last 5 years.
- Banking has been my background for the last 25 years.
- I'm married, and I have one son, Brady

Appointment of the New Town Clerk.

Mayor Cury- The office of the mayor will entertain a motion to vote in Rebekah Hackworth as the New Town Clerk.

Darrell- I make a motion to appointment Rebekah Hackworth as the New Town clerk. Jeff seconded the motion.

Mayor Cury- We have a motion and a second. Any further discussion? All those in favor of the motion say yes. All those that oppose say no. Roll Call- Jeff- Yes, Doug- Yes, Darrell- Yes, Mike- Yes. Motion carries -4/0.

Mayor Cury- Congratulations, Ms. Hackworth, you are now the New Town Clerk. On that note, for every new beginning, there is also a bittersweet end. Thank you, Connie, for your service, and we wish you the best.

Mayor Cury- Next, we have Virginia Department of Emergency Management (VDEM) presented by Tim Estes.

John- Tim is here to talk about the flooding in Richlands and what our options are going forward.

Tim- Hello. Thank you for having me tonight. I have a few people with me. I have Justin Haga, which is my Disaster Response and Recovery Officer. We also have Sarah Harington, who is our All-Disaster Planner, and on the zoom call, we have Amy Howard. She is our Hazard Mitigations Grant Administrator. She will be taking care of this region.

- Richlands is no stranger to flooding.
- We offer some mechanisms that are available that Richlands could apply for. They are grants to help mitigate some of the flooding that you all have in this town.
- If Richlands decided to move forward with these grants, you would be working with Ms. Harington and Ms. Howard.

Amy Howard- We heard from one of your council persons about the flooding issues. What we have to offer you is a vast assistance grant, and what that does is it studies your issues and tells you ways to fix them. There are \$200,000 in different programs. One would be the BRIC program or Building Resilient Infrastructure and communities. If you apply for the BRIC program and get the advance assistance grant the following year, whatever the engineering firm decides is the best way to fix your problem, he will then move into a preferred face to get the money for the actual project.

We also have an HMGP (Hazard Mitigation Grant Program) program. It's given out when the President declares a disaster. Right now, we have one for the snow storm that happened in January. FMA9644 and funding can be made available through that most of the time. An advance assistance grant usually costs around \$50-\$100,000 to find the issue, find out what's causing it, and find a way to fix it.

The FMA is available to the community, but it's only available to fix the flooding issues. However, the citizens who are affected, must have flood insurance. That's the only caveat to the FMA program.

Under any of these programs, we can do the advance assistant or the environmental study to see what the issues are.

Are there any questions for me?

Darrell- Is there a match to any of these programs?

Amy- Yes, if you are small and impoverished community, FEMA will give you up to 90%, but most of the FEMA grants are 75/25 under HMGP. The state matches with 20%, and the locality is responsible for 5%. The 5% can be made with in-kind. So, a city staff can be matched with in-kind, and it does not always have to be funding. Under these new programs with the impoverished communities, FEMA is giving us 90%, and the state is making the extra 10%. Depending on what program you choose, you could potentially have 100% funding.

Doug- We need more than \$200,000 to fix our problems.

Tim- The \$200,000 is just for a study to figure out what is wrong

Amy- I'm not offering you \$200,000 to fix the problem. I'm offering you \$200,000 to study and figure out what the problem is and how to fix it

Mike- What are what are the next steps?

Amy- You just need someone that is appointed to fill out an application and get started.

Mike- What is the deadline for these grants?

Amy- The BRIC program won't open until July-August. If that's the one that you want to do, you have until January to have everything done, and we will help you get it perfected and into the system. The HMG expires one year after the declaration, so you would still have a little bit of time.

Mayor Cury- Miss Howard, I have a question. Are these applications detailed information, and are they online?

Amy- Yes, we will send the information to Mr. O'Daniel.

Doug- Can we keep in close contact with someone from your office each month so we can know the progress?

Tim- Yes, our office can arrange that if that's the route you take. Someone from our office can be on a zoom call each month to keep you all updated on the progress.

John- If the application doesn't come out until July, there really is not a whole lot we can do other than keep in touch and for VDEM to reach out to us when the application becomes available.

Mayor Cury- Amy, whenever you get those dates worked out and the application start dates, if you could, communicate that with the town manager and with our VDEM people around here.

Mayor Cury- Any other questions for the VDEM team? If there are no further questions, we will move on. Next, we have Davenport & Company presented by Roland Kooch.

Roland Kooch and Eric (on a zoom call)

- I have been working for local governments for 25 years.
- We work with local governments across the state. We go in and try to provide an independent assessment and a financial overview in terms of historic practices.
- With respect not only to budgets but also capital planning in debt management and fund balanced management.
- We try to provide a document and a roadmap that will assist the town, in not only one budget year, but in multiple years for both general funds as well as enterprise funds.
- Our goal is to work with the town, to be a resource, and to help the town in terms of mapping out a plan to help. This plan is not only to help with capital needs but also to ensure the town has financial reserves to be physically sustainable and physically balanced in operation and a local government going forward.
- We have served towns that had 40,000 citizens and towns as small as 2,500 citizens. We were able to help each town with their budget and were beneficial to them. We were also able to help them revise current policies with management and operational cost.
- We go back five years with historic assessment.

- You must work to help both the general fund and the enterprise funds.
- We will audit at the agency level.
- The analysis is a pure comparative analysis. We will compare other city's finances to yours to see what would help Richlands the most.
- The goal of our financial and capital review is to provide short term and long-term solutions.
- It is an 8-week time frame.
- The fee for our service is \$12,500.
- We make recommendations on what the town can afford.
- We will work with the town manager and then bring the findings to the town council. We will present it to you for your consideration on how to best proceed in terms of those recommendation.
- The firm has over 400 people in their firm. The headquarters are located in Richmond.
- After the steps are followed, we have great success rates.

Eric- I have been the county administrator since 2018. Davenport helped our company come off a cliff. We had to end up cutting down on our employees, and at the same time, we raised taxes. In the year of 2018, we went from having a quarter million dollars to a 96-million-dollar budget, which was not a lot in reserves. Davenport advised us to get a line of credit. Last year, in July, we had a little under \$6 million in the bank. Our hope is \$8 million in reserve. Davenport helped us deal with our debt and helped us learn where and how to help our money grow. Davenport is just like a diet plan though; it is what you make of it. They present you with a plan, and you have to learn to live it.

Mayor Cury- Any questions from anyone? Is this in our budget, John?

John- No.

Mayor Cury- Okay, this is something we will have to work up. What is council's wish in this? Should we take this up in the budget workshop?

Darrell- I make a motion to proceed with the Davenport Public Finance Audit. Mike seconded the motion.

Mayor Cury- We have a motion and a second. Any further discussion? All those in favor of the motion say yes. All those that oppose say no. Roll Call- Jeff- Yes, Doug- Yes, Darrell- Yes, Mike- Yes. Motion carries -4/0.

Mayor Cury- Next, we have DEQ update on Iron Street property presented by Meade Anderson via a Zoom call.

Meade Anderson from Department of Environmental Equality.

- I have been involved in this site since it first made application in 2007. I have conducted several sites out there.
- This site has been enrolled in the BRP and some clean-up has been done from underground storage tanks. We have worked our way through the process itself. We have fully characterized the site. They do have a plan in place to remove a part of the soil that has been lead contaminated. That process is ready to go.
- This a program was set up by the general assembly for site that didn't meet any other cleanup program. This is one of those sites.
- When it is finished, there will be an enforcement of unity by the state, meaning it will be a closure document where there is no other federal interest in this property.
- There will likely be some restrictions put on that property, like commercial use only. No consummation of the ground water out there.
- Maybe maintain some cap area. There will probably be a fairly high level.
- If a future owner ever thought about doing some work out there, there will probably be some restrictions lifted.
- A consultant has reevaluated the risks and will probably resubmit a revised risk assessment revising some of their proposed excavation areas. Nothing on it is that

significant of a change. I just eliminated moving soil in a couple of areas because it really doesn't pose a risk when you look at the statistical package that it was evaluated in.

- The town would be able to use it for commercial use.
- I would have no concerns if I was a member of the board taking over this property and using it for future development.
- There are funds up to \$50,000 to evaluate the property before you construct on it, if you wanted to use it as a safety precaution.

Mayor Cury- Does anyone have any other questions? Is this something that council is still interested in pursuing? Would there be a motion to move forward on following up with Safety Environmental Assessment?

Doug- I make a motion to move forward with a follow up on Safety Environmental Assessment. Darrell seconded the motion.

Mayor Cury- We have a motion and a second. Any further discussion? All those in favor of the motion say yes. All those that oppose say no. Roll Call- Jeff- Yes, Doug- Yes, Darrell- Yes, Mike- Yes. Motion carries -4/0.

Mayor Cury- We will now move forward onto GDS and BRP Electric update by Jacob Thomas and Alice Wolfe via zoom.

Jacob Thomas- I am a principal with the GDS firm and with me is Garrett Cole, who is also a principal with the firm, and Alice Wolfe, who is with Blue Ridge Power.

- We want to look at the electric rates for 2023.
- Last year, GDS predicted that you would need to increase electric rates in 2022.
- We are looking at ways to avoid raising rates in 2023.
- Last year, we had estimated the need for an additional \$876k in rate revenue in the physical year of 2023 over 2022 by increasing purchase power cost.
- Roughly, of the \$6.5 - \$7 million of operating expenses for the electric utility, \$5.5 million of that is used to purchase power cost.
- The rate increase in 2021 was based on assuming all the cost recovery were in based rates and that it would zero out the cost adjustment factor. It was also based on the assumption that these winter transmission peaks would drive power cost through the higher cost peaks for us. It also assumes \$200,000 in payment in lieu with taxes (pilot).
- A PILOT is when an electric system is run by a town. There are certain taxes that they forgo that they will recover from. They invest their own utility or another utility that services those customers that have resources in the town.
- When we looked at that we tried to figure out how that \$876k increase could be covered. A couple things would be eliminating the PILOT, reducing the workforce, maintaining current PCA, and drawing on rate stabilization reserves. The current reserve amount is \$200,000 (based on projections developed in May 2021)
- Based on these eliminations, I think you may could get by with not raising the rates in year 2023.

Doug- You could eliminate your administrative cost because that is just a way to move money from the electric into different departments. That would give you a bigger savings and help the citizens if we didn't take anything out of the electric.

Jacob- I don't have your numbers, Sir. I only have what the town manager has given me and that is what I made my predications on.

Mayor Cury- I would suggest that we let him finish his proposal, and we have a budget work session to discuss this issue.

Jacob- It is my understanding that the money taken out of the electric is money paid out for services that are provided on behalf of the electric. They represent operating expenses for the utility.

Doug- They are not. All the operating expenses are already included in the sum that they make because each department pays their employees within that department. So, this is money in excess after the expense of the electric system that is transferred out to be used on other things.

Mayor Cury- Doug, thank you for your questions. With all due respect, Jacob, may we go on with the presentation?

Jacob-

- We have talked before about the power cost adjustment factor. We have built in these expensive winter costs into the base rate increases. If there was an instance where a summer cost would incur and the first power cost came down, automatically adjusting the PCA may allow for flowing through those savings on the bills.
- We are close to doing a power cost adjustment quarterly right now that would require some review and would be easily reviewed and audited by town council.
- Recommending to avoid the rate increase that you would have to fix the PCA for the next several quarters and then look at automatically adjusting PCA in the future which may help us avoid the need for base rate increasing in year 2024 or 2025.
- This is mostly tied to the expectation of increased power cost. If those increases don't come through, the PCA would not need to go to reflect that or the base rates.

Doug- If we gave you all the facts and numbers would you be able to do another scenario?

Jacob- I have to work with what the town and the town council provides to me. If I could get the facts from the town, I would be glad to work with them.

Doug- I am part of the town council.

John- That's not true. These are shared expenses. If we cut them out, who is going to collect your power bill, who is going to do all these services for the electrical department? Like I said before, if you own three business and you have a person being the secretary, it's not fair for one business to pay for that secretary when she is working for all three businesses. You would spread it out, and each business would pay 1/3 of their salary from their business. That is what these shared resources that transfer out are. It's not taking money off the top. It's the electric department taking out their share for the services provided by the electric department.

Doug- It's not shared expenses. If you look, there is \$200,000 taken out of the water system. There is \$100,000 taken out of the garbage. \$600,000 is going out go the electric system. That's almost \$1,000,000. I would like to know what shared expenses cost that much.

Mayor Cury- I would like to make a suggestion. With all due respect to everyone, I suggest we move on with the presentation, and the differences of how we should deal with this should be brought up in our budget workshop.

Jacob- My recommendation for year 2023 is to make the workforce reduction of \$115,000, eliminate PILOT of \$200,000, and do not increase the electric base rates. I also suggest an expectation of having to use some portion of rate stabilization, approve a fixed factor of \$0.00861 per kwh through the first three quarters of year 2023, and approve implementation of an automatically adjusting PCA beginning in April 2023.

Mike- So what you are saying is, if we follow your recommendations, we will not have to increase electric rates in 2023?

Jacob- Based on the information that I have and these projections, yes, you are correct.

Mike- The PCA, if we summer peak, is their potential to credit bills if we ran by this PCA?

Jacob- Yes, that is the idea of automatically adjusting. The formula would allow those credits if there is a sign of peak.

Mike- Can you explain to these citizens what this PCA charge is?

Jacob- Sure, the power cost adjustment. The basic electric rates you pay are designed to recover a certain amount of purchased power cost to the extent that the purchased power cost are higher or lower than what is built into those based rates. The power cost adjustment factor can make an adjustment to bills to flow through the under or over recovery rates of power cost.

Mike- If we go by your recommendation for year 2023, does the town make any profit?

Jacob- Based on the information that I have, this would be a no net income recommendation and would actually be a loss of \$65,000 because we are pulling that from a reserve.

Doug- That is a false statement. We cannot make extra money to support the budget system. Tim Taylor said in 2014 that we cannot use the electric system to float the budget. Which is what y'all are trying to do now. When I was on the board back then, we voted not to take anything out of the electric system because it wasn't fair to part of the town to pay for electricity while Hidden Valley got a free ride because they were using the electricity for the whole town. Hidden Valley isn't paying anything while Old Town is floating \$800,000-\$1,000,000 for the whole town. With no money coming out, the electric system had the lowest rates in VA. Now we are taking almost \$1 million out, and it is making it hard on the citizens.

Mayor Cury- Please have all that documented and have it signed and notarized by the next meeting. Any other questions for Jacob?

Mike- Do you have any projections to raise the rates in 2024-2025?

Jacob- We do have some projections, and it is that there would need to be some increases but would not be as significant as 2022-2023. That is based on the exceptions of continued increase in purchase power cost.

Mike- What time would we need to start looking into that?

Jacob- Probably as soon as possible

Garrett- I just want to mention, going into summer of 2022 with automatically adjusting PCA per the recommendation here, is the opportunity to see cost fall if we see summer transmission rates for next year. That's what we are trying to accomplish here. If you go with what Jacob has recommended with the automatic PCA adjustments, you can potentially see \$1.2 million each time that occurs. That is essentially a lot for money given back if we agree to the automatic adjusting PCA.

Mike- So, if we go with the automatic PCA and we summer peak, there is a potential for year 2024 to be a decrease?

Garrett- Correct. That is our purpose. We want to be able to give those dollars back to the customers through the rate on the PCA. However, in order to budget like that, we have to have this assurance that the power cost adjustments will flow with purchase power cost. Outside of that, how could we not be conservative and budget against the winter peak from a rate stand point? We cannot come up short. That's not an option.

Mike- I just want to be clear. If we do not go with the automatic PCA and we do not raise the rates, then we potentially can't pay for power. Is that correct?

Garrett- If you don't move forward with the stated PCA that Jacob recommended, you would come up short for power cost.

Alice- I just wanted to say that purchase power generally includes energy capacity and transmission. Purchase power is kind of a generic term. Of the purchase power cost, transmission has been the cost that is rising the most. Those transmission rates have been going up 15% for the last 10 years. Effectively quadrupling transmission rates over the last several years is what is driving overall increase in electric rates. Most of your over cost have been stable except for transmission rates.

Mayor Cury- Any other questions? Without any more questions, we will be moving on to Invoice Cloud Presentation and Discussion with Adam Elk via zoom.

Adam- I live right outside of Indianapolis. Thank you so much for having me and letting me sit in on your town council meeting. So, I am going to share how Invoice Cloud came in contact with Richlands. Richlands was in conversation with another core software provider that Invoice Cloud works with. So, Richlands software is a little outdated, and it's not thriving a bunch of utility from an operational perspective. Invoice Cloud got moved in because there is a piece of the core software at Richlands today that isn't necessarily driving the results that are beneficial, not only for paying utility customers, but also in the office from a processing standpoint.

- Invoice Cloud is an intergraded municipal bill presentment in collections platform.
- It gives the online experience to make things easier for your utility customers and tax payers paying online and signing up for additional self-services.
- It's going to look like autopay, paperless billing, and paying by text message as well.
- Invoice Cloud has been around for over 13 years. Well over 2,000 partners, local governments, and utilities use our online services.
- We processed over \$17 billion in payments last year.
- Invoice Cloud provides like AT&T, Verizon, and Capital One online bill pay experience that you are used to.
- Our goal is to cut some fees and try and make it cheaper and more convenient for the customers.
- When you can drive your customers to pay online, it cuts out your manual processing time in the office.
- Going paperless makes it more cost effective.
- Switching to a different software is very time consuming and expensive. Invoice Cloud came to the finance people in the office and offered Invoice Cloud to them. And, with little to no IT intervention, we can have it up and running in 3 to 5 months. We also have no upfront cost.
- Invoice Cloud is a proactive platform instead of reactive. For example, none of your cell phone companies wait for people to remember to pay their bills every month. They will send you a text message or a statement in the mail reminding you to pay your bill. These are ways to drive efficiency.
- Richlands is sending out 3,000 bills per month at just under \$0.60 cents per bill on postage. Going paperless would help save money
- Invoice Cloud makes it very simple to enroll in paperless billing. People can pay right from their phone. We also over a 24/7 phone line for people who are not very tech savvy and want to pay over the phone.
- This will raise customer satisfaction as well as make cost efficiency thrive.
- We have a dedicated support team that will exceed your hours of operation to make sure they are available if something was to happen.
- You will have an assigned support team that will work just for your site.
- Our platform is built around user friendliness.
- We have a monthly active fee of \$125 a month, \$1,500 a year to use the program. That would be charged to Richlands. We are not looking to charge any upfront implementation cost to Richlands because we are looking to build out a software partnership with Logics. Right now, we have a 2.95% processing fee for credit and debit cards for a \$2.50 minimum flat fee. We do offer an electronic check processing up to \$125,000 for a flat convenience fee of \$1.50.
- The most convenient thing about it is, if you forget to pay your bill, Invoice Cloud can send you a text message and you can pay your straight from your phone.

Mayor Cury- Would council like to have this in writing for us to look over before we decide on this program? Adam, if you could get this over to John for us to look at and then we will make our formal decision.

Mayor Cury- Next on the agenda is to go into closed session.

Jeff- I make a motion to go into executive session Pursuant to VA Code Section a. 2.2-3711 (A) (8)- Consultation with legal Counsel (Trademark Matter). Mike seconded the motion.

Mayor Cury- We have a motion and a second. Any further discussion? All those in favor of the motion say yes. All those that oppose say no. Roll Call- Jeff- Yes, Doug- Yes, Darrell- Yes, Mike- Yes. Motion carries -4/0.

Mayor Cury- I will entertain a motion to be back in regular session. In so doing, please certify that we discussed nothing but what was in the code numbers.

Jeff- I make a motion to ratify the code VA section 2.2-3711(A) (8) and 4 personnel matters. We ratify that was the reason we went into executive session. Darrell seconded the motion.

Mayor Cury- We have a motion and a second. Any further discussion? All those in favor of the motion say yes. All those that oppose say no. Roll Call- Jeff- Yes, Doug- Yes, Darrell- Yes, Mike- Yes. Motion carries -4/0.

Mayor Cury- We need an IDA update presented by Blake Ray

Blake- DEQ, thank y'all for taking care of that. I will mark that off my list. That has been a 20-year project. Next, Spearhead Trails. I met with several people and discussed what we needed to do to move to allow ATVs in the town of Richlands. VDOT has to correct an issue with the 4-lane under the bridge, and they are working on that. The county has to do a couple things. VDOT has requested that the Town of Richlands draft a resolution of support to be submitted simultaneously while they are doing their study to get everything done. If y'all entertain a motion tonight to draft a letter of support and get that to VDOT, then we could potentially have ATVs coming from Spearhead Trails to the Town of Richlands to help out our small businesses by mid-June or mid-summer. Rick is the chairman of Spearhead Trails. He has worked countless hours across Southwest VA. I want to see this get over the finish line for the work he has put in not only to help the local economy but mostly for the citizens. At the end of the day, we have a revenue problem, and I think this could help with the revenue of things. Quick update on Pop-Up Richlands. We have two weeks left. We ended up having 7 participants stay, and they are completing that program in two weeks. The funds that have come in are \$25,000 from the town, \$7,000 from the county, and we have just now received \$17,000 from the Thompson Charitable Foundation. So, that's a total of \$49,500 that was allocated to this program. We set a goal when I took over as Chair to get those coffers filled to fund this program. That program is now funded for the spring session and the fall session of 2022 and spring session for 2023 and half of fall session 2023. It will take about three years to see the full effect of this program. So, thank you, Jeff Mansour, on behalf of the Thompson Charitable Foundation. We received a surprise this week. VA Community Capital is giving an additional \$3,000 which will be used for women who own a business. Thank you to everyone who has worked hard for this program. We also need a motion to allow the spending of the \$15,000 for those recipients who are going through the challenge on the 28th. Three separate grants of \$5,000.

A couple people have resigned. Larry Johnson spends a lot of time in Castlewood and in Russell County due to his farm. Jordan Bales has asked to be appointed. Jordan is a double WHO meaning he has graduated from the University of Virginia twice with honors. He graduated with a degree in statistics with a concentration in Economics. He is also a senior software engineer. With that effective tonight, I am also going to resign from the IDA. It wasn't an easy decision. My life last month changed. Covid is now over, and I have to be in DC three days a week and driving back and forth is difficult. When I am here, I don't have the time to dedicate to the IDA. I would like to request Phillip Horton in my place, and he has agreed to accept if y'all appoint him. I would be remiss, if I didn't end with a quote. We all want to see Richlands be prosperous and Wynona Judd said it best, "The first step is to realize that it begins with you and me and when we stand together it's our finest hours. We can do anything. Keep believing in the power. Love can build a bridge between your heart and mind. Love can build a bridge." We have an opportunity to build a bridge and move forward as a community. All people are in the right places. So please stop fighting. We all have the same goal. We just have different ways of getting there.

Mayor Cury- Would council like to make a motion to appoint Phillip Horton and Jordan Bales to the IDA board?

Doug- I make a motion to appoint both Phillip Horton and Jordan Bales to the IDA Board.
Darrell seconded the motion.

Mayor Cury- We have a motion and a second. Any further discussion? All those in favor of the motion say yes. All those that oppose say no. Roll Call- Jeff- Yes, Doug- Yes, Darrell- Yes, Mike- Yes. Motion carries -4/0.

Mayor Cury- I would like to suggest that we wait until the other members of council are appointed so they can be a part of the resolution on the Spearhead Trails.

Mike- John, will you draft that letter and let us look at it at the next meeting?

John- Yes, I can do that.

Mayor Cury- Next, we need to entertain a motion for the funds to be awarded. If that money isn't used, it will be returned to the coffers.

Darrell makes a motion for John to allocate \$15,000 to the IDA for the \$5,000 to each participant who is going to win this contest. Mike makes the second.

Mayor Cury- We have a motion and a second. Any further discussion? All those in favor of the motion say yes. All those that oppose say no. Roll Call- Jeff- Yes, Doug- Yes, Darrell- Yes, Mike- Yes. Motion carries -4/0.

Mayor Cury- What is council's wish on the vacant seats?

Mike- I make a motion to appoint Seth White to Town Council. Darrell seconded the motion.

Mayor Cury- We have a motion and a second. Any further discussion? All those in favor of the motion say yes. All those that oppose say no. Roll Call- Jeff- Yes, Doug- Yes, Darrell- Yes, Mike- Yes. Motion carries -4/0.

Jeff- I make a motion to appoint Mike Compton for Council seat. Mike seconded the motion.

Bob Altizer- If you vote Mike Compton like you did Seth White, they will both serve for the unexpired terms and both are due to be reelected on November 8th, 2022, and will expire December 31st, 2022. You will not have to have a special election.

Mayor Cury- We have a motion and a second. Any further discussion? All those in favor of the motion say yes. All those that oppose say no. Roll Call- Jeff- Yes, Doug- Yes, Darrell- Yes, Mike- Yes. Motion carries -4/0.

Mayor Cury- Madam Clerk, please officially notify Seth White and Mike Compton with an official letter appointing them to Town Council.

Mayor Cury- We have two new members of IDA and two new members of council, and I think they would greatly appreciate us pausing so they can be part of some of these important decisions.

Next, on the agenda, is discussion of Procedural changes in Council Meetings, R-2022-04-01 Public Comment Policy and Procedures.

John - I will go through all these very quickly. The first one is resolution to change the public comment rules that we discussed in our last meeting. I wanted y'all to have a copy and take some time to read through it and think about it. If there are no objections, we can discuss adopting that at our next meeting. This was put in your agenda packets last week. If you don't, let me know, and I can get you a copy. I can send everyone an email with it just in case.

Next, we discussed moving the closed session to earlier in the meetings. We did that tonight. We are going to continue with that for a couple months and see how we like that.

Next, we discussed council report time-limits, and council decided not to put a 3-5-minute limit. I just wanted to circle back and let everyone know since everyone wasn't here at our last meeting.

Mayor Cury - Next, the rezoning requests. Jeff, do you have an update?

Jeff- Yes, the planning commission committee met last night at 7:00. We decided to approve both the zoning requests at 1809 Third Street and 105 Augusta Avenue.

Mayor Cury- So, you are requesting that council rezone that property of 1809 Third Street from present zoning classification of B2 to classification of M1 on the zoning map of the town of Richlands?

Jeff- I make a motion to council that will rezone the certain property of 1809 Third street from present zoning classification of B2 to classification of M1 on the zoning map of the town of Richlands. Darrell seconded the motion.

Mayor Cury- We have a motion and a second. Any further discussion? All those in favor of the motion say yes. All those that oppose say no. Roll Call- Jeff- Yes, Doug- Yes, Darrell- Yes, Mike- Yes. Motion carries -4/0.

Jeff- I make a motion to council that will rezone the certain property of 105 Augusta Avenue from present zoning classification of M1 to classification of R2 on the zoning map of the town of Richlands. Darrell seconded the motion.

Mayor Cury- We have a motion and a second. Any further discussion? All those in favor of the motion say yes. All those that oppose say no. Roll Call- Jeff- Yes, Doug- Yes, Darrell- Yes, Mike- Yes. Motion carries -4/0.

Mayor Cury- Next, we have proposed 2022-2023 Budget Discussion. That's a very big topic.

John- I just have some things that I need some direction on. Then, at the next meeting or workshop, hopefully we can have a full council, and I will be able to bring a clean budget with these changes in it with further discussion from the full group. One the front page there is an updated budget calendar. I've highlighted an additional workshop because from what I have heard that is something that we need. If we continue on May 10th it will be the first time we can do a reading on the budget ordinances, and May 24th will be the second time and would pass at that time. If we need to have another public hearing, I will leave that up to council. We will have an ad in tomorrow's paper that will clarify some things that weren't as clear in our original advertisement. We are still on schedule to have the first reading in May and second one in May as well. Anyone have any questions?

Mike- We have two regular scheduled meetings in May and in June?

John- Yes, we approved these at the beginning of the year. When we did our calendar for the year, we put those meetings in there as regular meetings.

Doug- We approved those as regular meetings?

John- Yes, we did. I knew how complicated these budget meetings can be, and with our charter requirements, we discussed it and felt it was best to go ahead and put those in there. So, we have those additional dates to do those first and second readings.

Mike- My opinion, since we are doing two meetings in May, I am going to say we should do a public hearing on May 10th.

Doug- Connie, later could you give me a copy of those exact minutes when we approved those dates for two regular meetings in May and in June?

Connie- Yes.

John- As soon as the new members get sworn in, we need to go ahead and schedule the budget workshop. Maybe next week?

Mayor Cury- Is Wednesday the 27th okay for everyone?

Mayor Cury- Budget workshop is set for Wednesday 27th at 6:00pm at Town Hall.

John- I would like to get some consensus on some things so we can move forward. Are you interested in doing the \$0.75 on real estate and personal property tax? This will give code enforcement and budget for demolition of houses as well as code enforcement with grass and

cleaning up property. We wouldn't have to wait and go through the foreclosure process. We could go through it quicker and have it torn down and maybe sell it at a loss.

Mayor Cury- Is there already an increase in budget and real estate property tax?

John- No, this is what it would be for. The proposal was 2.75% total for additional COLA for employees, and \$0.75 was for code enforcement to have a budget.

Mayor Cury- So, this is already on the budget proposal?

John- It is in the proposal, but it's not really built in yet. If it is added, then we would need to add in the revenue and the expense. But neither has been added yet.

Mike- I can make this easy. I am not ready to make any increase in real estate or personal property tax.

John- Okay, can I get a consensus on the code enforcement of \$0.75?

Mike- I love our employees, and I would love to give the additional 2% on top of the 2.75% , but at the current time with the town, I am not prepared to raise any real estate or personal property tax at this time.

Doug- I agree with Mike.

Mayor Cury- Any further comments?

John- Okay, next is cigarette and garbage tax. These go into making up for that \$200,000 PILOT that if we cut it from electric. Now we have a \$200,000 deficit in our general fund if we leave those where they were proposed. If we cut our attorney fees back to where we think the projections are. IT server and IT debt we used some of the lost revenue replacement funding, so instead of having that debt payment for the next couple years, we go ahead and pay for those needs upfront with that funding and reduce that cost. We also have the police department equipment these are the tasers and the body cameras. We could use that funding to pay for that as well instead of having a \$35,000 payment every year for the next 4 years. Also, the cigarette tax. Leave that as proposed at \$.25 per pack. I just wanted to get some thoughts on this, so we know how to go from here. I am just trying to get rid of the PILOT, so we don't have to raise electric rates.

Doug- Could I give you a thought? Why don't you go for something that's really going help? We can save \$300-\$400,000. Everybody knows we should have done it 10 years ago and that we are going to have to go to 911. All other towns saw the writing on the wall. Why don't we transition and that would save us \$400,000 in the budget? That would make up for all your losses.

John- If we want to discuss the 911 situation, that's something that council has put in place, if that is something that council wants to consider. I think that's something that would take several months and not something we can implement in this year's budget. That's several meetings with the sheriff to sit down and really see how it would happen. If that's something council wants to consider, then that's something we can look at over the next 6 months.

Doug- I have had several discussions, and that is something they can do fairly quickly. I'm guessing they could transition in two months and that would save us a lot of money.

Mayor Cury- Doug, thank you for sharing your wishes. Any other thoughts?

Mike- I think that it's coming. I agree with you 100%. I think we need to be extremely cautious with it because there is a lot in play. I care a whole lot about public safety. I support it. I just think it has to be done in the right way. I think we create some sort of 911 transition committee where we discuss it and what it would look like and what it also includes for our department. I don't disagree with you, and I think it's heading that way. But I think we need to take our time with it. We need to get a timeline worked out and involve the sheriff and everyone and do it correctly.

Doug- I think we should do it quickly. We could set a date, a two-month transition, and that would help the budget also.

Mayor Cury- Okay, I think this requires a vote. What is council's will?

Mike- I make a motion to form a committee to explore moving to 911 dispatch for all of Richlands. The committee will also report back to council in 2 months. Jeff seconded the motion.

The agreement was made that the committee would include John, Jeff, Doug, the sheriff, and whomever else needs to be involved to make the transition correctly and smoothly.

Mayor Cury- We have a motion and a second. Any further discussion? All those in favor of the motion say yes. All those that oppose say no. Roll Call- Jeff- Yes, Doug- Yes, Darrell- Yes, Mike- Yes. Motion carries -4/0.

Mayor Cury- John, can you reach out and get this committee together? Also, any further discussion on the budget cuts?

John- Yes, on the general fund cuts to eliminate the PILOT, are there any objections or is everyone good? Because I would like to take these changes and update our printouts. So that everyone that comes in for the budget workshop gets a clean sheet to go by.

Mike- I support this 100%. We have money in the bank where we can literally pay off this debt and make these cuts. If we have this, we need to make this for the citizens. If we can make any cut that proves to be beneficial to the town and remove and potential increases, I fully support this. Do you need a consensus on this?

John- Yes, so we can move forward with this so I can have it ready for the workshop.

Doug- No, I am not ready to do a consensus. I am not voting for any taxes until we remove that \$325,000 that we are taking out of the electric fund.

John- Okay, well I will update these and have them ready for our Wednesday meeting.

Mike- Did you get your consensus?

John- Yes, everyone is ready to move forward with these cuts except for Doug.

Mayor Cury- Town Manager reports:

John-Assess channel update: It has been down for the last two months. Frank has been working on it. We had a piece of hardware on our end, and Spectrum had a piece of hardware on their end. We have replaced both now. We had a company that we had a subscription with, and it had expired and we were not aware. So, we have renewed that and now we are just waiting on that to be up and running so that we can have the public live streaming on the access channel. We are hoping for an ETA of next month.

Utility billing update: We have already talked some about this in our presentations. Last meeting it was asked how much we spend each month in sending out our bills? We spend right at \$1,400 each month in postage. We have a third party that does that for us. They get a much better postage rate than we would. They charge \$400.00 to print the utility bills and send them out.

Greenway stage update: They are almost done with that. There are a couple small things they are waiting on the building inspectors to sign off on. As soon as that is completed, we will have our guys go in and run some electrical outlets in there. We have already had a couple requests for people to use it, but we want to get electricity ran to it first. We are hoping to have it up and running in a month or so.

Mike- Are we going to name that hundred and some thousand-dollar stage?

John- I think we should name it. That is something we can discuss in closed session. You guys can be thinking of some names, and we can discuss it at our next meeting.

John- Library Funding Update: As you know, they are looking at a much larger project. They have asked us not to do what we have planned on. I spoke to Shanna Plaster, with the county, to see if they wanted us to give that money back to the county. She is working with the library to find maybe another way they can use those funds so that they are still being used for that intended purpose. We are working with the Thompson Charitable Foundation to return those

funds as well. We hope they will set those funds aside and allocate them for the library's larger renovation project.

Next, Economic development: As you know, our Economic Developer resigned. We have put an ad out and are trying to fill that position as soon as we can. They have a lot going on downtown, and we really need someone to fill that position.

Doug- We are like \$300,000, probably \$500,000, in the hole. I would like a consensus to freeze our hiring until we get our budget under control. I think we can do without hiring anyone until we get in the plus.

Mayor Cury- Council's thoughts? Yes or No?

Mike- I am not a fan of stopping progression myself. I think there are multiple ways to go about business in our town. I think it's an important and vital portion at our town. I want to keep it myself.

Mayor Cury- Okay, Doug, I'm sorry. We shared thoughts. That's all I know to do.

John- Project Graduation has requested to use the Rec Park gym on June 4th after prom from 6:00pm-midnight. They are asking to use the whole facility. So, essentially this will act as a private party since we usually don't do this. They have requested council to approve this if you would like to be a part of this.

Mayor Cury- Council's thoughts?

Doug- I make a motion to allow project graduation to use the gymnasium at the Rec Park. Mike seconded the motion.

Mayor Cury- We have a motion and a second. Any further discussion? All those in favor of the motion say yes. All those that oppose say no. Roll Call- Jeff- Yes, Doug- Yes, Darrell- Yes, Mike- Yes. Motion carries -4/0.

John- The Rec Commission has recommended for Freddie Elswick for an in-town Rec Commission member and have asked for council to consider it for approval.

Jeff makes a motion to appoint Freddie Elswick to the Rec Commission. Mike seconded the motion.

Mayor Cury- We have a motion and a second. Any further discussion? All those in favor of the motion say yes. All those that oppose say no. Roll Call- Jeff- Yes, Doug- Yes, Darrell- Yes, Mike- Yes. Motion carries -4/0.

John- I do want to follow up. At one of our meetings, it was asked for us to contact someone at the Weldon Cooper Center to compare our rates to other organizations. I spoke to William Shook, and he said at this time that is not something that they have the expertise to address.

Doug- I spoke with Shea Cook and he said someone from that company would be reaching out to you that had the expertise in doing that.

Mayor Cury- This is my suggestion to clear that up. Doug, you get Shea to contact John. Next, we have council's reports. These are non-voting items.

Darrell- I just want to thank Blake for his services on the IDA and Rick Woods for all his hard work on the Spearhead Trails.

Doug- I would like to make a motion to contact Travis and Will Moorefield to remove the exception on our utilities and let the SCC regulate our pricing ups and downs like they do AEP. That way they could oversee and our citizens would be more comfortable having someone looking over them. Council wouldn't have to take the heat when it goes up and down. Motion fails for lack of a second.

Mike- I am open to look into it, but I think we should make sure we know what's going on first.

Darrell- I would like to meet with Travis, Will, Doug, and John to research this out.

Mayor Cury- So, do we have a consensus of council to do this?

Council Members- Yes.

Mayor Cury- Okay, we have a consensus. Darrell, I will put you in charge.

Mike- Last meeting I gave some information on the Broadband request. I am going to wait until the 10th meeting to bring that to council for a vote. This is to provide public Wi-Fi for the town.

Jeff- I talked to Rusty Hess about cleaning up the litter at Food Lion and at the railroad. He had a crew to go out there and clean. I told some citizens that we have some unusual high winds and trash tends to blow, but American Carpet Care did go over there and clean up the trash.

Doug- Can I add something to yours? I have had a lot of complaints about the playground equipment. Could John go over there and look at all the playground equipment to make sure it's not damaged and that someone won't get hurt?

Jeff- Another thing, do you know the dates for prom?

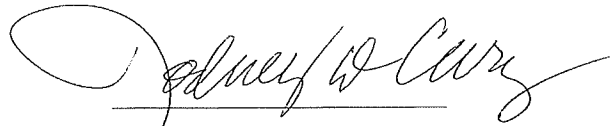
Mayor Cury- May 7th.

Jeff- Okay, I think they are wanting to use Suffolk Avenue to walk down to the library. I just wanted to make the citizens aware of that if anyone will be downtown at that time.

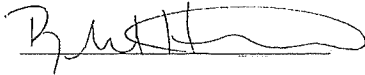
Mayor Cury- I was asked to be at the opening of Little League, and it was great. I went to the Bad Axery, and it was great. I think we have a lot of great things going on in our town. We have a lot of cool things coming up as well. Thank you to everyone who came. Remember our budget meeting April 27th in council's chambers at 6:00.

Mike- I make a motion to adjourn. Doug seconded the motion.

Adjourned.



Rodney D. Cury, Mayor



Rebekah Hackworth, Clerk